



**Date:** November 29, 2021  
**To:** Mayor and Council  
**Author:** Ryan McLeod, CPA, CA  
**RE:** 2022 Insurance Renewal  
**Report No.:** FS-2021-19

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## **RECOMMENDED ACTION**

1. That Administration **BE DIRECTED** to renew the Town's insurance program with Intact Public Entities Inc. for a one year period beginning January 1, 2022.

## **BACKGROUND**

There are essentially only four major municipal insurance providers in Ontario – they are AON Reed Stenhouse Inc., BFL Canada Risk and Insurance Services Inc., MARSH Canada Limited and Intact Public Entities Inc.

In 2020, Administration worked with Dave Rikley from Programmed Insurance Brokers Inc. to conduct a formal Request for Proposal (RFP) for the Town's 2021 Insurance Program. While all four of the major insurance providers reviewed the Town's RFP documents, only two companies submitted proposals.

After an in-depth review of each proposal, the Town ultimately selected Intact Public Entities Inc (formally operating as "Frank Cowan Company") at a cost of \$495,667 (plus non-refundable PST).

## **DISCUSSION**

For 2022, Administration worked with Broker Dave Rikley to secure a renewal with Intact Public Entities Inc. To maintain the Town's existing coverages and limits, Intact has proposed a premium of \$603,119 (plus non-refundable PST), representing an increase of \$107,452 over 2021. This insurance includes coverage for general liability, property, errors & omissions, automobile and other potential liabilities.

According to Mr. Rikley, the premium increase is the result of a 'hard' municipal insurance market and not indicative of specific claims arising against the Town in 2021. While the increase is unfortunate, it is consistent with the experience of most other

Ontario municipalities. There has been a general increase in municipal insurance claims in recent years, and as such, insurers are becoming more selective in the risks they underwrite and are demanding higher premiums to maintain their target loss ratios.

## **FINANCIAL CONSIDERATIONS**

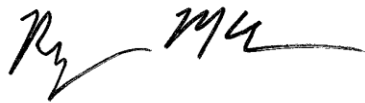
The recommended insurance package for 2022 amounts to \$603,119 (plus non-refundable PST). This represents a \$107,452 increase over 2021 and has been incorporated into the 2022 draft municipal budget.

## **ENVIRONMENTAL CONSIDERATIONS**

The Town's insurance program includes coverage for Environmental liabilities and clean up expenses.

## **CONSULTATIONS**

Dave Rikley, FCIP, FRM, Account Executive, Programmed Insurance Brokers Inc.



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Ryan McLeod, CPA, CA  
**Director of Financial and IT Services**

REVEIWED BY:



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John Norton  
**CAO**

## **LINK TO STRATEGIC PLAN**

### **Link to Council 2021-2022 Priorities**

- ☐ COVID-19 and the health and safety of the community
- ☐ Customer Service: Training, Technology, Staff, Review Standards/Level of service

- ☐ Housing: Affordability (lot sizes, developer incentives, second dwellings, density, etc.)
- ☐ Greenhouse: lights & dark sky, odours (site plan compliance, bylaws, other tools)
- ☐ Programming Increase: Youth and Seniors
- ☐ A development plan for Downtown Kingsville / Main Street
- ☐ Financial savings: Schools closings, Migration Hall
- ☐ Economic Development: strengthen tourism/hospitality
- ☐ COVID - economic recovery
- ☐ Communications: Strategy – Policy (social media), Website refresh and other tools, Public engagement
- ☐ Housing: Migrant Worker Housing – Inspections (Building/Fire), regulate, reduce, or increase
- ☐ Committees / Boards: Review and Report
- ☐ Policy Update: Procedural Bylaw
- ☐ Economic Development: diversify the economy, create local jobs, industrial, Cottam
- ☐ Infrastructure (non-Municipal): Union Water expansion & governance
- ☐ Infrastructure (Municipal): Asset Management Plan update, the infrastructure funding deficit
- ☒ No direct link to Council priorities