



## The Corporation of the Township of Huron-Kinloss

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### Staff Report

**Report Title: 2026-2027 Municipal Insurance Program**

**Date: Mar. 2, 2026**

**Report Number: TRE-2026-13**

**Department: Treasury**

**File Number: C11 TRE 26**

**Prepared By: Christine Heinisch, Manager of Financial Services/Treasurer**

**Attachments: None**

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#### **Recommendation:**

THAT the Township of Huron-Kinloss Council hereby approves Report TRE-2026-13 prepared by Christine Heinisch, Treasurer;

AND FURTHER directs Staff to proceed with requesting a quote for the Township's municipal insurance program with our current provider Intact Public Entities for the 2026-2027 policy year.

#### **Background:**

The Township's Purchasing and Procurement Policy (Section 13.2) requires that every five years—and sooner if necessary—the Department Head recommend to Council whether an existing service should continue, be tendered, have quotations obtained, or proceed with a newly negotiated contract.

The Township's insurance policy renews annually and has now reached the five-year review point. The Township's insurance coverage is underwritten by Intact Public Entities and arranged through McDonagh Insurance Brokers, with dedicated account service provided by Breanne Chapman. The broker plays a critical role in advising the Township on coverage adequacy, advocating on behalf of the municipality during claims, facilitating access to risk management resources, and ensuring competitive market awareness.

Undertaking a full Request for Proposals (RFP) process would require significant staff resources and market engagement at a time when the municipal insurance sector remains constrained. Current market conditions suggest limited competition, stricter underwriting standards, and reduced value-added services, which may not result in improved pricing, coverage, or service to the Township. This process would need to begin immediately in order to allow adequate time for proposal submission, staff review, and returning to Council for direction.

#### **Discussion/Analysis/Overview:**

Municipal liability and emerging risk management issues cost local governments millions of dollars each year. To effectively reduce the frequency and severity of claims, municipalities must remain aware of evolving risks and maintain access to

robust risk management expertise—an area where the current provider offers substantial and consistent support.

They provide the following value added services;

### **1. Risk Management**

One of the primary benefits of maintaining our relationship with the current insurer is the robust suite of risk-management services included at no additional cost. These services directly support municipal operations and reduce exposure to liability.

Key supports include:

- Detailed risk analysis reports identifying potential hazards in facilities, parks, roads, and municipal operations.
- Road Risk Assessments, adequacy of current policies and procedures.
- Claims trend analysis, helping departments adjust procedures and mitigate repeat risks.

These services help reduce claims, improve safety, and support more informed decision-making.

### **2. Review of Municipal Documents**

The current insurance arrangement offers expert review of documents at no extra cost, including:

- Third-party contractor agreements
- Leases, user agreements, and event contracts
- Certificates of insurance and indemnification clauses

This review ensures that municipal agreements are aligned with best practices and that liability is transferred or shared appropriately. Competing insurers have charged additional fees or offer limited assistance in this area.

### **3. Support During Inspections and Capital Planning**

Staff have benefited from:

- Guidance during facility inspections
- Recommendations for asset maintenance and upgrades
- Risk-related input for capital planning and long-term financial planning

These supports strengthen the Township's due diligence and help maintain compliance with insurer expectations.

### **4. Dedicated Municipal Expertise and Responsive Service**

The Township continues to receive timely, knowledgeable, and reliable customer service from our current insurance arrangement, including:

- A dedicated local broker and municipal account manager
- Quick turnaround on claims inquiries and documentation
- Specialized advice tailored to municipal operations, not generic commercial policies

This consistent support provides operational stability and reduces administrative burden for staff.

Based on the five-year review, staff are satisfied that the current insurance arrangement continues to provide comprehensive coverage, strong risk management support, financial sustainability, and overall value for the Township. Staff believe the value of the current insurance arrangement's risk management support, document review, and advisory services are significant. These services not only enhance our ability to manage and mitigate risk but also reduce staff time during claims and eliminate the need to purchase these supports separately. Staff recommend renewing the municipal insurance program with Intact Public Entities, through McDonagh Insurance Brokers, for the 2026-2027 policy year.

**Financial Impacts:**

We have received a preliminary 2026 renewal indication of a 5% reduction in premiums while still accommodating a 4% inflationary adjustment for property replacement costs. A formal quote would be provided to Council prior to the renewal date.

**Performance Measurement:**

Tracking incidents and actively mitigating potential risks.

**Strategic Area:**

- Embrace a thriving rural lifestyle
- Enhance Municipal Service Delivery
- Prepare for Inclusive Growth
- Ensure Financial Stability

**Strategic Goal: Commit to financial health and sustainability**

**Respectfully Submitted By:**

Christine Heinisch, Manager of Financial Services/Treasurer

**Report Approved By:**

Jodi MacArthur, Chief Administrative Officer