



The Corporation of the Township of Huron-Kinloss

Staff Report

Report Title: 2022-2023 Municipal Insurance Program

Prepared By: Jodi MacArthur, Treasurer

Department: Treasury

Date: May. 16, 2022

Report Number: TR-2022-05-41

File Number:

L06 MUN22

Attachments: 2022 Municipal Insurance Program Proposal, Cyber Quote

Recommendation:

That Township of Huron-Kinloss Council hereby receives Report Number TR-2022-05-41 prepared by Jodi MacArthur, Treasurer and accepts the proposal of Intact Public Entities in the amount of \$298,591.00 plus applicable taxes for the 2022-2023 municipal insurance program and the quote of CFC Underwriting Ltd. In the amount of \$9,250.00 plus applicable taxes for cyber insurance and further that the appropriate by-law be brought forward on this evening's agenda.

Background:

The Township's insurance program is scheduled for renewal on June 1, 2022.

This is the second renewal proposed by Intact Public Entities, formerly the Frank Cowan Company after a solicitation of quotes for the 2021-2021 program.

Depending on market conditions, we aim to market the program approximately every 5 years to ensure competitiveness.

The cyber insurance policy expires on June 15, 2022.

Discussion:

The renewal proposal submitted for the municipal insurance program is an increase of 17.6%.

The expiring premium is \$253,880.00 and the proposed renewal came in at \$298,591.00 plus applicable taxes.

The cyber insurance quote is an increase of \$1,860.00 or 25% and the incumbent insurer was the only one willing to provide a quote to the broker. The current trend is that cyber insurance is becoming increasingly difficult to secure.

Financial Impacts:

While the increases are significant, they are not unexpected with the continued challenging market conditions associated with public insurance.

Local Authority Services (LAS)-The Association of Municipalities of Ontario (AMO) Business Services has established a working group to investigate the rising costs of municipal insurance and the disappearance of cyber coverage. They recently conducted a survey of municipalities to determine interest and feasibility of an aggregate way for municipalities to acquire insurance. Although, in the early stages we look forward to any opportunities that may result as a result of this collaboration.

Strategic Alignment / Link:

The information provided in this report is consistent with and in keeping with the municipality's Vision & Mission.

We are an accessible community that offers opportunities for everyone by having amenities and services nearby and being open and transparent.

Respectfully Submitted By:

Jodi MacArthur, Treasurer

Approved By:

Mary Rose Walden, Chief Administrative Officer