



Subject: 2022 – 2023 General Insurance Program

To: Council

From: Corporate Services Department

Report Number: 2022-149

Meeting Date: June 28, 2022

Recommendation:

That Corporate Services Department Report 2022-149 be received; and

That Council delegate authority to Staff to negotiate the 2022-2023 general insurance program and for the CAO and Director, Corporate Services/Treasurer to execute the related documents.

Purpose:

The purpose of this report is to provide for a mechanism to enact the 2022-2023 general insurance program.

Background:

When the general insurance program was last negotiated, Staff understood Council's desire to entertain a public procurement process when the program ended on June 30, 2022. With this direction Staff hired a consultant to support the procurement process. During that lengthy process the consultant highlighted certain components of the current insurance program that lend themselves to staying with the current insurance provider for at least one more year, prior to moving forward with a public procurement process.

Discussion:

At the time of writing this report, Staff are still negotiating the 2022-2023 general insurance program with the current insurance provider. The advice of the consultant came late in the process which has complicated the timing of the renewal.

Staff anticipate being able to provide a verbal update to Council at the June 28, 2022, meeting with respect to cost and deductible changes, if any.

Staff have followed the City's procurement process and deemed this transaction as a valid non-standard purchase as it resulted due to unforeseen events and results in extreme urgency. A non-standard purchase is a purchase that does not follow a public procurement process but is of a value that otherwise should in accordance with the policy.

Through discussions with other municipalities, Staff are aware that insurance premiums continue to raise substantially. The Association of Municipality of Ontario has identified municipal insurance as a priority for discussions with the Provincial government.

Once this general insurance program has been renewed, Staff will begin preparing for the following years general insurance program to be publicly procured.

Internal Consultations:

The non-standard procurement process was followed and reviewed by the Manager, Financial Services/Deputy Treasurer, Purchasing Coordinator, and Clerk.

Financial Implications:

In 2022, staff budgeted \$642,000 for insurance premiums and as of June 30, 2022, the City will have utilized approximately \$301,000. The difference is \$341,000 and will be spent on the renewed policy.

As identified above, Staff will provide a verbal update at the June 28, 2022, Council meeting with respect to cost and deductible changes, if any.

Public Engagement:

None

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Value: Financial Management to Achieve Financial Sustainability
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Conclusion:

That Council delegate authority to Staff to negotiate the 2022-2023 general insurance program and for the CAO and Director, Corporate Services/Treasurer to execute the related documents.

Respectfully submitted,

Bryan Boles, CPA, CA, MBA
Director, Corporate Services / Treasurer
905-835-2900 Ext. 105
bryan.boles@portcolborne.ca

Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.