



Administrative Report

Office of the Director, Financial Services/Treasurer

To: Warden MacDonald and Members of Essex County Council

From: Sandra Zwiers, MAcc, CPA, CA
Director, Financial Services/Treasurer

Date: Wednesday, June 21, 2023

Subject: 2023 2024 General Liability Insurance Program
Renewal Update

Report #: 2023-0621-FIN-R14-SZ

Purpose

To provide Council with an update on the comprehensive insurance program renewal process and to seek approval for the delegation of authority.

Background

The Corporation's commercial general liability program expires on June 30, 2023. Since April, Administration has been working with AON to respond to renewal questionnaires to secure renewal terms for the upcoming one-year term.

Discussion

For the past three years Administration was unable to submit a complete renewal proposal to County Council in time for the last council meeting prior to program expiry. This year, AON continues to advocate strongly on behalf of the Corporation and while some program lines have renewal estimates, not all program line quotes have been received from underwriters/insurers.

A hard municipal insurance market combined with increased information required by underwriters is adding time to the renewal process. AON reports that a renewal package will be received prior to the expiration of the Corporation's current program however it will not be received in time for the June 21, 2023 regular meeting of County Council.

Administration is seeking the same delegation of authority to the CAO as approved in 2020, 2021 and 2022.

The Director of Financial Services / Treasurer will prepare a follow up report for County Council's information at its July 19th regular meeting.

Financial Implications

Estimates received to date suggest a year over year increase in our total premium cost. While details are incomplete at the time of the writing of this report, Administration anticipates upward pressure on the Corporation's premium costs above 2023 Budget estimates. A statement as to the ability to absorb any negative year over year variances will be made as part of the July 19th report to County Council.

Consultations

Chris Beneteau, Senior Vice President & Branch Manager, AON Risk Services

Recommendation

That Essex County Council delegate authority to the Interim CAO to approve, prior to the June 30, 2023 expiration date, the County of Essex Comprehensive Insurance Program for the period June 30, 2023 to June 30, 2024:

And further, that Administration provide County Council with a formal report regarding the approved Comprehensive Insurance Program at the July 19, 2023 regular meeting of County Council.

Approvals

Respectfully Submitted,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Director, Financial Services/Treasurer

Concurred With,

Mary Birch

Mary Birch, BA, CMO, Interim Chief Administrative Officer
