



County Council

Meeting Date: June 20, 2023

Submitted by: Chris Traini, Deputy CAO, County Engineer and Cindy Howard, Deputy CAO, County Treasurer

Subject: 2023 Insurance Renewal

BACKGROUND:

Attached is the proposed 2023 Municipal Insurance Program as prepared by Tony Commisso of Intact Public Entities Inc., the County's current insurer.

The following is a list of recent renewals with the Intact Public Entities, exclusive of the retail sales tax:

PROPOSED 2023/24	\$1,240,597 (12-month term excluding Cyber Insurance)
2022/23	\$1,128,805 (12-month term excluding Cyber Insurance)
2021/22	\$ 963,465 (12-month term including Cyber Insurance)
2020/21	\$ 782,568 (12-month term including Cyber Insurance)
2019/20	\$ 652,921 (12-month term)

In 2019/20 the insurance program was moved to a 12-month term.

ANALYSIS:

The County Engineer and County Treasurer met with Tony Commisso, Account Manager, Intact Public Entities Inc. to discuss the renewal report for the policy term June 30, 2023 to June 30, 2024.

The insurance program reflects a 12-month term and excludes a Cyber Liability Insurance product.

The proposed 2023/24 insurance program reflects total premiums of \$1,240,597 representing a 9.9% increase over the previous insurance program renewal cost. The proposed 2023/24 insurance program includes the additions and deletions of vehicles, equipment and property throughout 2022/2023.

In comparison, the current provincial municipal average insurance rate increase is 17%. These rate increases are industry wide.

There continues to be a COVID-19 liability exclusion for long-term care facilities. This is a Canada wide policy exclusion and is industry wide as well.

Cyber insurance is becoming increasingly difficult to obtain for public entities. Insurers are demanding new security controls and applications each year, which continues to drive up premiums. The ITS department is continuing with the development and enhancement of the Middlesex County Cyber Security Program in an attempt to mitigate these premium increases. The 2020/21 amount included \$7,750 for Cyber Insurance. The 2021/22 amount for Cyber Insurance was \$28,380. There was no Cyber Insurance coverage included in 2022/23 renewal and it is not included in the 2023/2024 renewal. The County will be submitting the Cyber Insurance application to Intact Public Entities Inc. and we will report back at a future council meeting when further information is available.

The County of Middlesex insurance deductible is \$25,000. We are one of the few Counties that are at a \$25,000 deductible. Most County Insurance deductibles are \$75,000 or \$100,000.

12 Month Policy	\$25,000 Deductible
Annual Premium	\$1,240,597

The proposal is insuring \$99.1 million of assets (buildings, contents and un-licensed equipment) as compared to \$90.3 million of assets from the last insurance renewal (an insured asset value increased of 9.75%).

RECOMMENDATION:

THAT the proposed 2023/24 insurance program as submitted by Intact Public Entities Inc. with a premium of \$1,240,597 for twelve months plus applicable taxes to June 30, 2024 be approved.

Attachment