



June 6, 2012

City Council Committee Report

To: Mayor & Council

Fr: Bruce Graham

Re: Insurance Renewal for 2012-2013

Recommendation: That Council hereby approves the renewal of the City's Municipal Insurance Policy effective July 1, 2012 to July 1, 2013 in the amount \$323,890 plus applicable taxes.

Background: In 2009 the City of Kenora accepted a proposal from Jardine Lloyd Thomson with local representation by The Standard for the provision of Municipal Insurance Coverage. The term of that proposal was for 2009-2010 with the provision for extending the agreement based on satisfactory performance. The City did renew in 2010-2011, 2011-2012 and this current proposal would be the third renewal. The current renewal proposal represents an increase in premiums from our 2011-2012 coverage of \$5,956.00. This premium increase is due to a 3% inflationary increase in our property values under our Property Schedule; a slight increase to our Auto Policy due to the type of vehicles that have been added or substituted over the past year; and an increase in our Liability premium due to enhancements in the coverage such as the removal of a retroactive date under our Environmental Impairment Liability. There is no claims based increase and there is a \$2,500 dollar premium reduction for the removal of the Risk e-map program. The proposed premium increase represents a 1.9% change over last year.

Budget: Estimated insurance cost were included in the 2012 budget.

Communication Plan/Notice By-law Requirements: Jardine Lloyd Thomson and The Standard will be advised of Council's decision and appropriate renewal agreements will be signed by the CAO.