



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **Sandra Clancy, Director of Corporate Services**

Meeting Date: **December 5, 2016**

Subject: **Report CPFS16-042
Insurance Program for 2017**

Purpose

A report to recommend the approval of the Municipal Insurance Program for the City of Peterborough for 2017.

Recommendation

That Council approve the recommendation outlined in Report CPFS16-042, dated December 5, 2016 of the Director of Corporate Services as follows:

That the Municipal Insurance Program, as recommended by the City's Insurance Broker, BFL CANADA Risk and Insurance Services Inc, 181 University Avenue, Suite 1605, Toronto, Ontario, M5H 3M7, for a one year term from January 1, 2017 to December 31, 2017, be approved at an estimated cost of \$978,952 plus PST of \$58,053.51 for a total of \$1,037,005.51.

Budget and Financial Implications

The total \$1,037,005.51 can be funded from the 2017 insurance budget for premiums which is an amount of \$1,054,950. The increase in insurance premiums is 4.4% over the 2016 amount.

Primary Liability rates have increased by 5%. Insurance rates for Property remain the same but the values, including any new purchases, have increased 9.5%. The cost for Aviation Liability has increased 6% due to an increase in flight traffic. However, these increases are offset by other lines of coverage which were renewed with either nominal or no increases leaving the overall increase in insurance premiums at 4.4%.

Background

Through Report CPFS11-034, dated September 26, 2011, Council awarded RFP P-37-11 for a Professional Insurance Broker to BFL Canada Risk and Insurance Services Inc. (BFL) for a four year term from October 17, 2011 to November 16, 2015. The agreement was renewed to September 30, 2019 through Report CPFS-15-012, dated May 11, 2015. Part of the service BFL provides is to annually “shop” for an insurer who will provide comprehensive coverage for the City for all its properties, equipment and liability needs.

Through Report CPFS16-001, dated January 25, 2016, Council approved an insurance program that will expire December 31, 2016. BFL has gathered quotes for the City’s insurance program for 2017.

Each year, as part of the budget process, any unused insurance balance at the end of a calendar year is transferred to the Insurance Reserve. The uncommitted balance in the reserve is \$0.95 million.

Submitted by,

Sandra Clancy
Director of Corporate Services

Contact Name:

Sandra Clancy
Director of Corporate Services
Phone: 705-742-7777, Extension 1863
Toll Free: 1-855-738-3755
Fax: 705-876-4607
E-mail: sclancy@peterborough.ca