

# STAFF REPORT

**Department:** Accounting / Finance / Administration

**Date:** December 10, 2024

**Item: Recommendation regarding Municipal Insurance and Risk Management Services 2025**

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**Recommendation:** Be It Resolved That: Bylaw No. 3221/24 be adopted, Being a Bylaw to Execute An Agreement Between the Town of Espanola and Municipal Insurance Services Ltd. with Marsh Canada Ltd. for insurance services for the 2025 year in the amount of \$226,690 plus 8% non-rebatable tax including legal expense coverage; and further that Municipal Insurance Services Ltd. provide the Town with these services for the second of two years (2024 and 2025); and further that an extension for one year (2026) of the four years (2026 to 2029) be granted without an RFP.

**Background:** In 2023, a request for proposals (RFP) was posted for municipal insurance and risk management services. The municipal insurance and risk management services include the Town's entire insurance package for all of its operations and liabilities. A staff report and approval of services was obtained on December 5, 2023. The link to this report can be found [here](#). Municipal Insurance Services Ltd., the awarded broker, has been the Town of Espanola's broker for over twenty years and now work primarily with Marsh Canada (underwriter) to insure the Town.

**Analysis:** The 2025-2026 municipal insurance renewal for the Town of Espanola is up 13.5% from the expiring term. We have provided a summary of the increases.

Municipal General Liability, including Environmental Impairment Liability (EIL)

- Increase of 5% applied to the primary due to market inflationary changes and claims deterioration
- Increase of 5% applied to the EIL

Umbrella

- Increased Layer 1 and Layer 2 by 5% due to market inflationary changes

Property

- Property limits as per submitted schedules – adjusted to account for inflation.



Automobile

- 3% rate increase applied

Cyber

- No rate increase

Legal Expense \*New

- This coverage offers a noticeable limit for a minimum annual premium of only \$270.00.

**Existing Policy:** Municipal Insurance and Risk Management Services

**Strategic Goal:** Town Government: Effective Municipal Governance and Operations

**Financial Commitment:** \$226,690 plus 8% non-rebatable tax totaling  
\$244,825.20

**Budgeted:**    Yes ☐    No ☒

**Implementation:** Upon Council Recommendation and as part of 2025 budget

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**Department Manager:**

**CAO/Clerk:** Joseph Burke

**Approval of Recommendation:**    Yes ☒    No ☐

**Comments:**