



## **Administration and Operations Committee Report**

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**To:** To the Chair and Members of the Administration and Operations Committee  
**From:** Kim DaCosta, Insurance and Legal Clerk  
**Date:** July 7, 2025  
**Report #:** RPT-266-25  
**Subject:** Insurance Program Renewal  
**Purpose:** For Approval

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### **Recommendation**

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That the County of Brant renew the Municipal Insurance Program with Intact Public Entities Inc. (IPE) for a one-year term commencing August 30, 2025, at the annual premium amount of \$2,093,344.00 plus applicable taxes; and

That the Chief Administrative Officer or her designate be directed to execute all applicable renewal documents on behalf of The Corporation of the County of Brant to effect the renewal.

### **Executive Summary**

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This report provides an update on the current insurance landscape and in particular with respect to municipal insurance and the costs associated with the renewal of the 2025 Municipal Insurance Program with Intact Public Entities Inc. for a one-year term.

### **Strategic Plan Priority**

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Strategic Priority 6 - Stable and Responsive Governance

### **Impacts and Mitigation**

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#### Social Impacts

There are no direct social impacts to the municipality resulting from the recommendation of this report.

#### Environmental Impacts

There are no direct environmental impacts to the municipality resulting from the recommendation of this report.

#### Economic Impacts

The 2025 premium for renewal of the municipal insurance program is \$2,093,344.00 plus taxes, representing a rate increase of \$89,090.00 from the previous year. The 2025 premium represents a 4.4% increase from the 2024 premium paid.

The County’s Insurance Reserve was created to stabilize and smooth the impact of premium increases that are estimated at budget time. The Insurance Reserve balance as of December 31, 2024, was \$307,232.64.

\$2,157,771.00.00 has been included in the 2025 budget for insurance premiums and therefore there is no budget shortfall. The insurance premium increase will be included in the proposed 2026 budget.

**Report**

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Background

In 2019, Council approved the recommendation to accept the proposal from Frank Cowan Company (now Intact Public Entities Inc.). Staff will prepare a report to Council in 2026 to consider going to market for the Municipal Insurance Program or continue to renew with IPE.

Renewal Analysis

The global insurance market has now begun to stabilize from the volatile swings of the previous few years to a softening and with that, the appetite and capacity for specialized risks such as municipal insurance has increased. Accordingly, this has resulted in favourable renewal terms and allows for continued pricing stability.

It should be noted however, that extreme weather events continue to be a concern and losses due to these events will continue to rise past 2025. Natural catastrophic property losses in 2024 reached an all-time high in Canada at almost \$8 billion due to flooding, wildfires and hailstorms. In addition, the imposition of tariffs on building supplies will impact the costs of claims and supply chain disruptions will have an effect on the insurance market in the current geo-political climate.

Joint and several liability (the 1% rule) continues to be a significant concern for municipalities in Ontario, especially as the severity of awards has increased. A finding of only 1% negligence against a defendant under joint and several liability, means that claimants will pursue a claim against defendants with “deep pockets” such as municipalities.

Separately from the current renewal, it should be noted that the County obtained Cyber Liability coverage for a period between March 2024 to March 2025. Staff are currently working to align the renewal of the Cyber policy with the renewal of the Municipal Insurance Program in 2026.

The table below outlines the County’s insurance renewal costs (excluding taxes) for the past five years:

**Table 1 – Five Year Insurance Costs**

Year	Insurance Premium	Change
2020	\$1,356,231	13.6%
2021	\$1,564,057	15.3%
2022	\$1,759,740	12.5%
2023	\$1,936,997	9.1%
2024	\$2,004,254	4.7%
<b>2025</b>	<b>\$2,093,344</b>	<b>4.4%</b>

The above overall insurance premium increase indicates that the increase to the County's 2025 renewal is 4.4%, which is primarily inflationary.

To help ascertain the County's position at renewal, staff researched the renewal rates of neighbouring municipalities. Norfolk County's premium was \$2,174,241 (plus taxes), representing a 1.9% increase from 2024. Haldimand County's premium was \$984,986 (including taxes), representing a 4.5% increase and Oxford County's premium was \$2,192,931 (plus taxes) which was a 4.9% increase from 2024. Given the variability across municipalities in changes/increases to their premiums, along with the modest increase to the County's 2025 premium, renewal of the policy with IPE continues to be most favorable option for the County.

**Table 2 – 2025 Insurance Renewal Cost Analysis**

<b>Coverage</b>	<b>2024 Premium</b>	<b>2025 Premium</b>	<b>\$ Increase</b>	<b>Factors affecting Increase</b>
Casualty	\$1,501,322	\$1,568,216	\$66,894	General market conditions, population growth, & recent claims activity in Ontario
Property	\$ 300,112	\$ 316,279	\$16,167	Building values have increased in order to reflect inflationary trends
Auto	\$ 202,820	\$ 208,849	\$ 6,029	Current market conditions, including loss increases due to thefts, collisions & increased costs of parts & vehicle replacement
<b>*Total (Excluding Taxes)</b>	<b>\$2,004,254</b>	<b>\$2,093,344</b>	<b>\$89,090</b>	

### Summary and Recommendations

Although the insurance market is shifting from a hard market that began in 2019 to a soft market, economic and geo-political factors will continue to have an impact on insurance costs. Despite this, with the County's prudent business decisions, the continued efforts to mitigate exposure to risks with effective risk management strategies such as heeding prudent objective advice from professionals within the corporation and fiscally responsible reserve policies, the County continues to maintain a comparatively favourable claims history.

The Municipal Insurance Program provides the County with fiscally sound protection against financial loss of the County's assets and provides liability protection to employees, Councilors, volunteer firefighters and volunteers from acts attributed to negligence while under the direction of the County of Brant.

The County continues to receive excellent customer service including risk management services and contract reviews, in addition to their insurance claims services from Intact Public Entities Inc. Risk management workshops are also included in their insurance program and provided for all County employees at no additional cost.

It is therefore recommended that the County of Brant renew the Municipal Insurance Program with Intact Public Entities Inc. for a one-year term commencing August 30, 2025, at the annual premium amount of \$2,093,344.00 plus applicable taxes; and

That the Chief Administrative Officer or her designate be permitted to execute all applicable renewal documents on behalf of The Corporation of the County of Brant to effect the renewal.

**Attachments**

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None

**Reviewed By**

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- 1. Heather Boyd, General Manager of Corporate Services
- 2. Rochelle Welchman, Solicitor and Corporate Counsel

**Copied To**

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- 1. Alison Newton, CAO
- 2. Rochelle Welchman, Solicitor and Corporate Counsel
- 3. Heather Boyd, General Manager of Corporate Services
- 4. Heather Mifflin, Director of Finance, Treasurer

**By-law and/or Agreement**

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By-law Required	No
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No