



City of Moose Jaw

COMMUNICATION # CC-2019-0209

TITLE: City of Moose Jaw Insurance RFP

TO: City Council

FROM: City Manager

DATE: October 30, 2019

PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

THAT the report dated October 30, 2019 from the City Manager regarding the City of Moose Jaw Insurance RFP, be received and filed.

TOPIC AND PURPOSE

The purpose of this report is to provide City Council with information regarding the insurance RFP.

BACKGROUND

Council has asked that a Request for Proposals for Insurance Coverage Services be completed.

Insurance coverage for a City is a complicated process as insurance companies such as Lloyds of London, the Co-operators or SGI do not deal directly with accounts; rather, work through a system of brokerages or agents. These agents search for the best insurance packages available and provide a recommendation to the clients. This is similar to home insurance for example, the broker or agent provides the homeowner the best package based upon the homeowner's choices and coverage requested. Insurance companies will not provide multiple quotes to different brokers and the City of Moose Jaw has to choose a Broker of Record before sourcing the City's insurance needs.

The City of Moose Jaw is more complicated as it has a diverse risk management program that seeks to minimize risk to the City and carries various coverages such as typical building and contents, liability insurance, auto, fiduciary, public officials liability insurance, crime, cybercrime, airports, drone, fine arts, events and parades. Insurance and particularly City insurance is a specialized field and larger brokerages have the expertise that is not generally available in an organization our size. To change insurance companies is a long and complicated process.

DISCUSSION

The City of Moose Jaw is finalizing the RFP for Brokerage Services with a goal of having a client Broker in place by March 31, 2020 followed by an audit of coverages completed and placing the 2021 coverage to go into effect January 1, 2021. Therefore, the insurance for 2020 has been placed with Henderson Insurance to ensure that there are coverages available while this process is being completed.

PRESENTATION

VERBAL: Mr. Jim Puffalt, City Manager, will present the report.

REPORT APPROVAL

Written by: Jim Puffalt, City Manager
Reviewed by: Tracy Wittke, Assistant City Clerk
Approved by: Jim Puffalt, City Manager
Approved by: Fraser Tolmie, Mayor

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

No. _____ Resolution No. _____

Reference Material:

What Do Brokers Do?

Unlike other insurance providers, an insurance broker works for you rather than an insurance company. Brokers use their professional knowledge and experience to help you properly assess your insurance needs, shop for the best value in insurance coverage and help you in the event of a claim.

Many brokers will help you with a quote online or over the phone, but personal consultations are encouraged, to answer any questions you may have, ensure there are no misunderstandings and no detail is overlooked.

Their services include:

- Assessing your individual needs and obtaining quotes. Depending on the property, vehicle or business being insured, this might include performing an insurance valuation, taking photographs or obtaining an inspection report.
- Comparing the coverage of different insurers to get you the best rates and conditions in an unbiased manner and making recommendations.
- Searching for opportunities to reduce overall premiums by combining different types of insurance for discounts.
- Explaining premiums, terms, conditions and any small print that you don't understand.
- Providing administrative follow-up, such as mortgage changes, certificates of insurance.
- Providing advice and revisions at policy renewal or mid-term if material changes are necessary, such as a move or the sale of an asset.
- Being available to answer questions after purchase. The vast majority of brokerages are well established in their community and insurance is their primary business.
- Ensuring claims are fairly handled. They help you with the process and ensure a fair and speedy settlement. Brokers make a positive difference to an insurer's payout in a substantial number of claims.

There is *no extra cost to you* for all the services that a broker provides. A broker is paid a commission through the insurance company that you place your business with and believes in complete transparency in this regard.

Retrieved from: <http://www.ibac.ca/Why-Use-A-Broker/What-a-Broker-Does.aspx>

Report Approval Details

Document Title:	City of Moose Jaw Insurance RFP - CC-2019-0209.docx
Attachments:	
Final Approval Date:	Nov 5, 2019

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke



Jim Puffalt



Fraser Tolmie