

CITY OF HAMILTON

MOTION

Council: October 28, 2020

MOVED BY COUNCILLOR M. PEARSON.....

SECONDED BY MAYOR / COUNCILLOR.....

Amendment to Sub-Sections (c), (d) and (i) of Item 5.4(e) of Council Minutes 20-010, May 13, 2020, respecting Report LS20010 – 2020 Property and Liability Insurance Renewal Report

- (a) That sub-section (c) to Item 5.4(e) of the May 13, 2020 Council agenda, being Report LS20010 – 2020 Property and Liability Insurance Renewal Report, which was approved by Council at its meeting of May 13, 2020, be amended by deleting the words “referred to” and replacing them with the words “***be included in***”, to read as follows:
 - (c) That, to realize of a 7.5% discount, the primary layer of liability coverage for the term January 1, 2021, to January 1, 2022, be continued through Arthur J. Gallagher Canada Ltd. and Marsh Canada Ltd. at a cost of \$2,173,750 (net of taxes) and ~~referred to~~ ***be included in*** the 2021 RMS Budget;
- (b) That sub-section (d) to Item 5.4(e) of the May 13, 2020 Council agenda, being Report LS20010 – 2020 Property and Liability Insurance Renewal Report, which was approved by Council at its meeting of May 13, 2020, be amended by adding the words “***which is included in the amount of \$7,748,615 in sub-section (b) above***”; and, by deleting the words “referred to” and replacing them with the words “***included in***”, to read as follows:
 - (d) That, to mitigate market volatility, the second layer of liability coverage for the term January 1, 2021, to January 1, 2022 be continued through Arthur J; Gallagher Canada Ltd. and Marsh Canada Ltd. at a cost of \$950,000 (net of taxes, ***which is included in the amount of \$7,748,615 in sub-section (b) above***) and be ~~referred to~~ ***included in*** the 2021 RMS Budget;

- (c) That sub-section (i) to Item 5.4(e) of the May 13, 2020 Council agenda, being Report LS20010 – 2020 Property and Liability Insurance Renewal Report, which was approved by Council at its meeting of May 13, 2020, be amended by deleting the letters “RMS” and replacing them with the words “**Risk Management Services**”; and, by deleting the word “Council” and replacing it with the words “**General Issues Committee**”, to read as follows:
- (i) That RMS **Risk Management Services** report back to Council ~~the~~ **General Issues Committee** with a work plan for expanding enterprise risk management.

The Main Motion, as amended, to read as follows:

5.4 (e) 2020 Property and Liability Insurance Renewal Report (LS20010) (City Wide)

- (a) That the Liability and Property Insurance coverage for the term January 1, 2020, to January 1, 2021, be renewed through Arthur J. Gallagher Canada Ltd. and Marsh Canada Ltd. at a cost of \$7,748,615 (net of taxes) and be funded through the 2020 Risk Management Services (RMS) Budget of \$6,600,074, \$1,033,690 from the Tax Stabilization Reserve (110046) and \$114,850 from the Waterworks Capital Reserve (108015), in accordance with Appendix “A”, attached to Report LS20010;
- (b) That the 2021 Risk Management Property and Liability budget be adjusted to \$7,748,615 and that the 2021 departmental and appropriate Boards and Agencies budgets be adjusted accordingly;
- (c) That, to realize of a 7.5% discount, the primary layer of liability coverage for the term January 1, 2021, to January 1, 2022, be continued through Arthur J. Gallagher Canada Ltd. and Marsh Canada Ltd. at a cost of \$2,173,750 (net of taxes) and ~~referred to~~ **included in** the 2021 RMS Budget;
- (d) That, to mitigate market volatility, the second layer of liability coverage for the term January 1, 2021, to January 1, 2022 be continued through Arthur J. Gallagher Canada Ltd. and Marsh Canada Ltd. at a cost of \$950,000 (net of taxes, **which is included in the amount of \$7,748,615 in sub-section (b) above**) and be ~~referred to~~ **included in** the 2021 RMS Budget;

- (e) That the General Manager, Finance and Corporate Services, be authorized and directed to execute all associated documents related to the renewals of the Liability and Property Insurance coverage for the terms January 1, 2020, to December 31, 2020, and January 1, 2021 to December 31, 2021, through Marsh Canada Ltd., on behalf of the City of Hamilton;
- (f) That four (4) permanent FTE be added to the Legal Services and Risk Management complement, namely a litigation solicitor, law clerk and two administrative assistants, and that the annual compensation costs totalling \$393,000 be cost recovered from City Departments and appropriate Boards and Agencies in 2021 and;
- (g) That the one-time costs of \$20,000 related to equipment and materials in support of the additional complement be funded from the Unallocated Capital Reserve (108020).
- (h) That staff be directed to assess insurance options and litigation staffing prior to August 2021 in order to consider possible insurance options for the City, and adequacy of staffing for in-house litigation for 2022; and
- (i) That ~~RMS~~ **Risk Management Services** report back to Council ~~the~~ **General Issues Committee** with a work plan for expanding enterprise risk management.