



## MUNICIPALITY OF **West Elgin**

### Staff Report

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**Report To:** Council Meeting

**From:** Lee Gosnell, Manager of Operations & Community Services

**Date:** 2021-01-14

**Subject:** Facility Rental Insurance

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#### **Recommendation:**

That West Elgin Council hereby receives the report from Lee Gosnell, Manager of Operations & Community Services; and

That West Elgin Council hereby approves implementing a facility rental insurance program as provided by West Elgin's current insurance provider, Frank Cowan Company.

#### **Purpose:**

The purpose of this report is to provide Council with an option for the current 'Certificate of Insurance' requirement for all municipal facility rentals and to request their approval to move forward with implementation of this program.

#### **Background:**

As part of the operational review undertaken in 2020, new requirements were put in place which require all users of municipal facilities to have a signed contract and provide a Certificate of Insurance. It was found that these necessary items were lacking in the past, which opens the Municipality up to liability concerns should something go wrong during the rental.

In most cases, obtaining a Certificate of Insurance (naming the Municipality of West Elgin as additionally insured) through one's own insurance company is an easy process with minimal to no charge. However, there are circumstances where this might be more difficult, such as someone without a homeowner's policy. In cases like these, prospective users would be unable to rent the facility as insurance requirements could not be met, and lack thereof would put the municipality at risk.

Frank Cowan Company has created a program which provides an alternative option for residents who cannot/don't want to obtain a Certificate of Insurance from their own provider. The 'Facility User Solution' program allows prospective users to purchase the required insurance through West Elgin/Frank Cowan, therefore allowing them to move forward with the facility use. This additional cost would be added to the rental agreement and be paid at the time of booking. West Elgin staff would track these premiums and remit to Cowan Insurance on an annual basis.

The attached highlight page and rate calculation sheet outline program benefits and cost. The one caveat to all of this is remembering that West Elgin's insurance would be used if there were a claim. This is why the program does not cover high-risk activities. These would continue to require a Certificate of Insurance supplied by the user.

**Financial Implications:**

There is no additional cost from Frank Cowan Company to administer this program. A deposit is made at the beginning of the year based on the estimated annual premiums collected. The municipality collects the premiums on Cowan's behalf and costs are reconciled at years end. If premiums were less than expected, money is returned. If premiums exceeded the deposit, the additional money would be forwarded to Cowan. The rate calculation sheet determines the minimum premium, but the municipality can choose to add an administrative fee to this calculation if deemed appropriate by staff and Council.

**Report Approval Details**

Document Title:	Facility Rental Insurance - 2021-03-Operations Community Services.docx
Attachments:	<ul style="list-style-type: none"><li>- Facility User Solution Coverage Highlights 1016.pdf</li><li>- FCC Facility User Rates - \$2000000 0116.pdf</li></ul>
Final Approval Date:	Jan 12, 2021

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

Jana Nethercott