



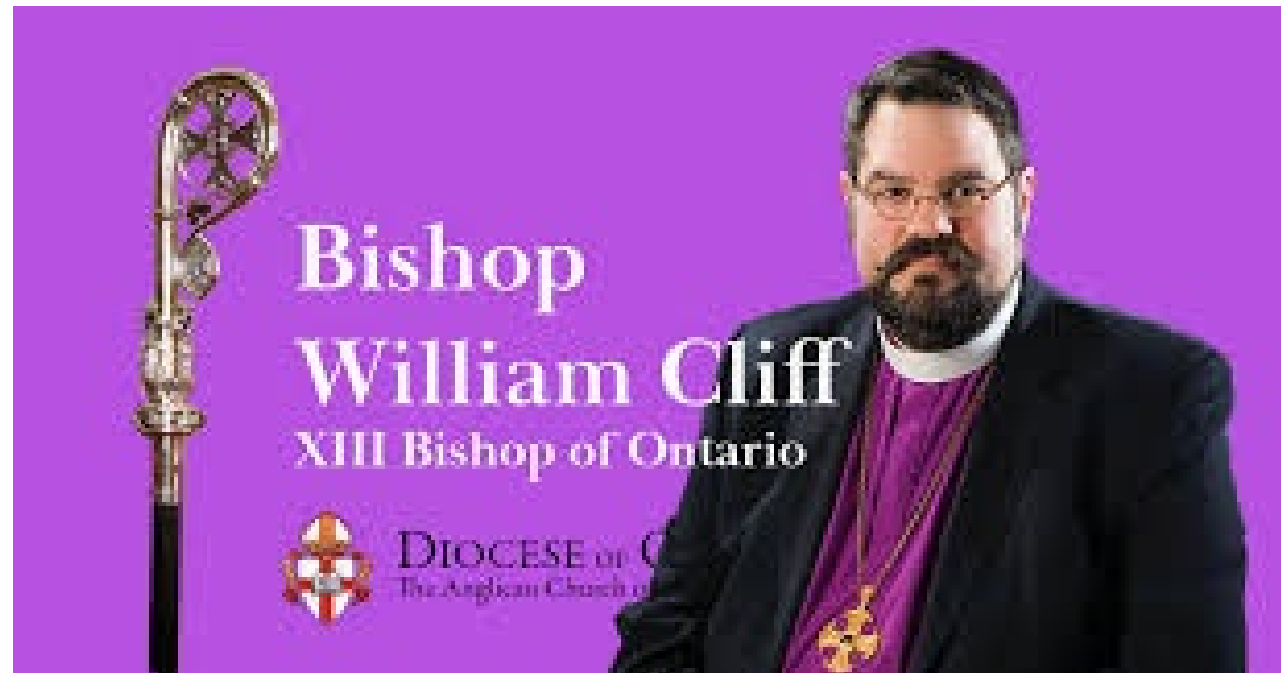
**Warden, Treasurer and Clergy Meeting**  
**October 17 2024      60<sup>th</sup> Meeting**

*O God, thou has cast us out and broken us down. (Psalm 60)*

A silhouette of two hands holding a glowing cross against a sunset sky. The hands are positioned in the center, with the fingers slightly curled. The cross is a simple, bright white shape that glows with a lens flare effect. The background is a dramatic sunset with a mix of orange, yellow, and purple hues, and a body of water is visible at the bottom.

**Opening Prayers**  
**Bishop William Cliff**

# *From The Bishop's Office*







*Conversations at the Crossroads*

# **Ecclesiastical Province of Ontario**

## **Synod 2024**

September 24-26 2024

# Topics Today



Bishop's  
Update



DEO Update  
Safe Church  
Police Record  
Checks



Finance:  
Insurance



Q&A



# DEO Update

October 17, 2024

# Finance Update

October 17, 2024



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# Risk Management & Insurance





# Risk Management

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Risk management involves formally identifying and evaluating risk and choosing the most efficient way to deal with and recover from potential loss.

Risk management involves taking steps to minimize the likelihood of things going wrong, a concept known as loss control

One typical method is insurance which reduces the financial impact of adverse events when, despite your best efforts, bad things happen.

Insurance is the organized sharing of losses across individuals and companies.

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# Approaching Risk Management



# Probability

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	Highly Likely	Likely	Neutral	Unlikely	Highly Unlikely
Devastating	High risk	High risk	High risk	High risk	Moderate risk
Severe	High risk	High risk	Moderate risk	Moderate risk	Low risk
Noticeable	High risk	Moderate risk	Moderate risk	Low risk	Low risk
Minor	Moderate risk	Moderate risk	Low risk	Low risk	Low risk



High risk  
Moderate risk  
Low risk

# Insurance Coverage

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## Why?

Church insurance protects your church from financial hardship if something happens to the property or someone is injured or harmed while on the premises or in programs/activities

Property



Liability

# Risk Management and Ministries

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Effective risk management requires us to examine the various aspects of our ministries to identify and analyze the various risks we ask our staff, volunteers, and participants to take.

Does our ministry expose others to harm or potential dangers? If so, what are the specific risks?

How can we start taking steps to control, as much as is reasonably and financially possible, the risks associated with our ministries.

Risk avoidance is the most effective control technique; however, it is often the most difficult to implement.

It is tough to ask and to answer “is this particular event/ministry worth the risk it poses”? If we feel it is worth the risk, then it benefits us to take the necessary steps to make that part of our ministry as safe as possible.



# Insurance Update - Provincial

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- Executive Officers meeting to develop a coordinated, Provincial strategy for insurance
- Consensus
  - That the status quo cannot continue – affordability a real problem!
  - That there is strength in numbers – working together and sharing information
- Working Group established

# What we have learned - Provincial

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- 2022 and 2023 renewals were brutal for all Dioceses
- External and internal challenges for Ecclesiastical
- Occurrence-based coverage for abuse ties us to Ecclesiastical at this time
- Individual broker challenges

# Two Goals - Provincial

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Short Term: to try to mitigate annual premium increases by identifying and sharing best practices

Longer Term (next 5 years): to develop a construct that allows for better control and management over our insurance costs

# What has been done? - Provincial

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- Regular meetings
- Information sharing
- Meetings with AON
- Investigation of alternative risk-financing models
- Decision to hire insurance consultant
- Briefing of House of Bishops and Archbishop Anne

# What has been left undone? - Provincial

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- Meeting with Senior Executives at Ecclesiastical (October 29<sup>th</sup>)
- Prepare and release Request For Proposal for an insurance consultant
- Review responses to the RFP and engage consultant
- Devise strategies to position individual Dioceses for the 2026 renewal



# Insurance Providers – Diocese of Ontario

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## Insurers



## Broker





# For 2025 - Diocese of Ontario

## Reviewed and Explored our relationship and satisfaction with

- The National Program
- Ecclesiastical as Insurer
- AON as Broker

## • Conclusions

- Not satisfied with program
- Not satisfied with Customer Service or Pricing from AON

## Reviewed and considered:

- Experience of other dioceses with Brokers
- Potential alternatives to Ecclesiastical
- Changes to risk borne by churches/diocese (Deductibles)
- Flexibility to develop solutions moving forward

## • Balancing Risk and Impact with the cost of coverage



# For 2025 - Diocese of Ontario

## Key Success Factors:

- No short term alternative to Ecclesiastical
  - Property and Liability (PSA) are tied
- Broker who provides a team that is experienced in Diocese & Church Insurance
- Continuity in how Churches are served (Broker and Diocese)

## Alternatives Considered:

- Continuing with AON and the National Program
- Changing to a different AON office
- Changing to a local/small broker
- Changing to a large scale broker

## Key Criteria:

- Reliable service for church needs
- Resources in place
- Flexibility going forward
- Competitive Fee/Commission model



**HUB**

# For 2025 - Diocesan

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## Decision:

- 1) Exit the National Insurance Program effective end of year
- 2) Appoint HUB as our Broker of Record
- 3) Continue with Ecclesiastical for 2025
- 4) Step up Risk Management work in 2025

# Who is HUB??



**HUB**

**HUB International Limited is an insurance brokerage providing an array of property, casualty, risk management, life and health, employee benefits, investment, and wealth management products and services across North America.**

**HUB has more than 540+ offices across the United States and Canada and more than 18,000 employees. It is based in Chicago, Illinois.**

**HUB is the 5<sup>th</sup> largest Insurance Broker in the world.**



# HUB Ottawa Office Service Team



## SERVICE TEAM

David McNamara  
Vice President, Ottawa Branch  
Manager

Moufid Kayal  
Principal Account Manager

Ingrid Franco  
Supporting Account Manager

## CLAIMS

Tracey Timmone  
Senior Analyst

## MARKETING

Moufid Kayal  
Principal Account Manager

## RISK SERVICES

Léopold Boutin, Eng., CRM, ABCP  
Senior Risk Consultant Engineer

# 2024 Analysis (for comparison only)

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Line of Insurance	Estimated Premium Reduction
Property	\$18,723
Boiler & Machinery	\$229
Comprehensive General Liab.	\$1,917
Abuse Liability	\$0
Crime	\$312
D&O	\$975
Cyber	\$190
Umbrella	\$815
<b>Total:</b>	<b>\$23,162</b>

On a total Diocesan Invoice of \$520k, this would have represented a 4.5% saving

## *From the HUB 2024 Mid Year Outlook*

Climate change has accelerated the frequency and intensity of natural disasters.

Around the world, insurers were on the hook for CAD\$147 billion in damages from catastrophes in 2023, down from CAD\$170 billion in 2022 but above the 10-year average of CAD\$121 billion.

The long-term trend of increased catastrophes from climate change will show up in rising insurance rates.

In Canada, the insured loss total surpassed CAD\$3 billion for the second year running, one of the largest loss years in history. There were more catastrophes in Canada during the summer of 2023 than there are in an average year. In total, an unprecedented 24 catastrophes hit Canada in 2023.

Climate change has been identified as the culprit for more frequent and destructive storms and wildfires. Severe convective storms accounted for CAD\$87 billion in losses worldwide in 2023. Insured losses from severe convective storms have risen an average of 8% each year since 2008 worldwide.

# 2025 Budgeting Guidance

At this point, we cannot provide guidance on Insurance Premiums for 2025 Budget purposes

There will always be the factors in the policy renewal

- Inflation on Replacement Costs

- Premium Rate Increases

- Changes in classifications (Flood Plains, Earthquake, etc)

- Changes in specific properties (valuation)

Savings from the Broker Change





DECEMBER 2024

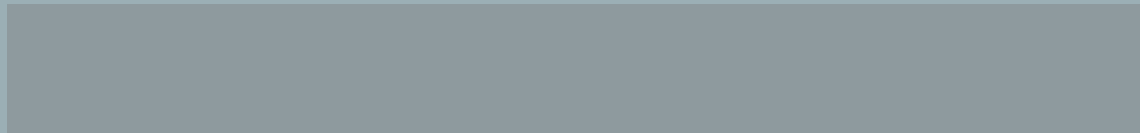
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

*Homemade*

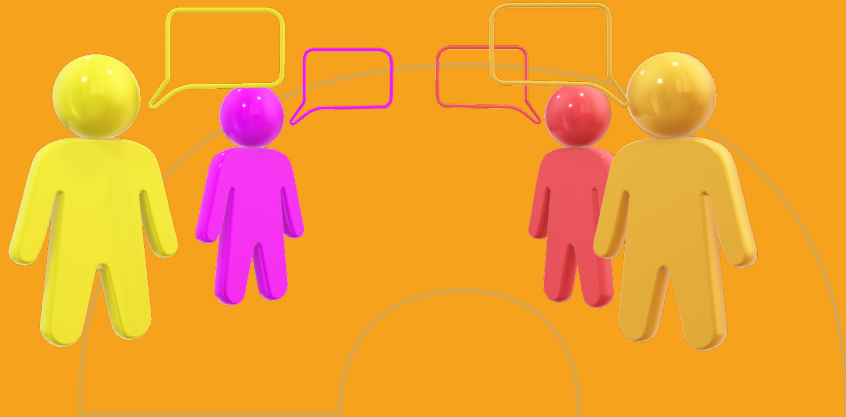
# NEXT MEETING

**THURSDAY  
DECEMBER 19TH  
2PM**

**ONGOING PLANNING:  
THIRD THURSDAY OF THE  
LAST MONTH OF EACH  
QUARTER**







**QUESTIONS?**

