



REPORT TO

**CORPORATE SERVICES, STRATEGIC  
PLANNING AND PROPERTY  
COMMITTEE**

**ONTARIO SCHOOL BOARD INSURANCE  
EXCHANGE (OSBIE) RENEWAL**

*Psalm 27:1*

*The Lord is my light and my salvation; whom shall I fear? The Lord is the stronghold of my life; of whom shall I be afraid?*

Created, Draft	First Tabling	Review
April 29, 2021	May 13, 2021	June 10, 2021
D. Bilenduke, Senior Coordinator, Finance P. De Cock, Comptroller for Business Services & Finance		
<b>RECOMMENDATION REPORT</b>		

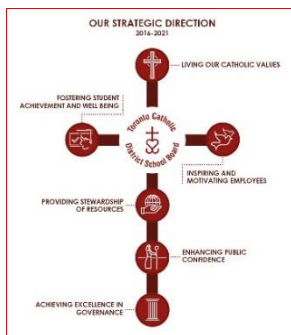
**Vision:**

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

**Mission:**

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



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## **A. EXECUTIVE SUMMARY**

This report responds to the Ontario School Board Insurance Exchange (OSBIE) requirement for the TCDSB to provide a written confirmation by July 1, 2021 to renew its membership subscription for another five years effective January 1, 2022.

*The cumulative staff time required to prepare this report was 3 hours.*

## **B. PURPOSE**

1. This report responds to an OSBIE request (attached as Appendix A) requesting the TCDSB commit for another five-year term. The TCDSB currently has partial ownership in OSBIE, and this request is required as per the terms of the Subscriber Agreement.

## **C. BACKGROUND**

1. The TCDSB was one of the founding members of OSBIE in 1987. OSBIE is a reciprocal insurer which means it is a non-profit organization and is owned by its member boards. The Insurance coverage offered is tailor made to meet school boards needs and the risk management training and advice is customized specifically for school boards.
2. Currently OSBIE is the insurance provider to 70 of Ontario's 72 School Boards. Since its inception, OSBIE has been a model for financial strength and stability.
3. The TCDSB has equity ownership in OSBIE, and it is important to note that OSBIE has returned \$52.6 million in premium refunds to subscriber Boards over the last 5 years.

## **D. EVIDENCE/RESEARCH/ANALYSIS**

1. If the TCDSB does not renew its membership with OSBIE, it will be forced to seek insurance coverage on the open "for profit" market which would likely result in a substantial premium increase.

2. Termination will result in the loss of all rights under the subscriber agreement, which includes equity ownership, investments and future rebates of premiums.
3. OSBIE is a consortium, so as a member and owner of OSBIE, the TCDSB is exempt from going to RFP per the BPS Procurement Directive.
4. The previous 4 OSBIE insurance premiums net of refunds is as follows:

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Premium Payable	2,155,870	2,234,743	2,334,141	2,447,224
Refund	-726,392	-549,889	-625,266	-630,726
Net Premium	1,429,478	1,684,854	1,708,875	1,816,498

## **E. METRICS AND ACCOUNTABILITY**

1. If the Board does nothing the Subscribers' Agreement indicates that membership is automatically renewed for another 5-year term.
2. If the Board wishes to terminate the agreement, it must do so in writing before July 1<sup>st</sup>, 2021.
3. TCDSB Management staff have no issues of concern with the coverage and services provided by OSBIE, and determined there are no alternative cost effective opportunities elsewhere specifically tailored to the education sector.
4. Open market insurers can be influenced by many world macro-events and these costs are passed on to clients by higher premiums. An example of this would be the recent California wildfires.

## **F. STAFF RECOMMENDATION**

That the Board of Trustees renew the TCDSB's insurance agreement with OSBIE for a 5-year term commencing on January 1, 2022 funded by the annual expenditure operating budget.