



# MUNICIPAL INSURANCE

## | Council Orientation Session

Tony Commisso  
Regional Manager  
Intact Public Entities

| Feb 14 2023



# CLIMATE

## The New Normal



*“In Canada, yearly insured catastrophic losses has reached \$2 billion” – a significant increase from the \$422 million per year between 1983 and 2008”*  
Canadian Underwriter, August 23, 2022

**8 of the top 10 highest loss years on record  
occurred in the last decade.**

# LEGAL LANDSCAPE

## SOCIAL INFLATION

- **LITIGIOUS SOCIETAL ATTITUDE**
- **LEGAL REPRESENTATION** (A recent study by The Financial Services of Commission of Ontario has found that 91% of claimants in motor vehicle accident claims have some form of legal representation)
- **CONTRIBUTORY NEGLIGENCE**

# THE COUNTY'S INSURANCE PROGRAM

---

## GENERAL LIABILITY

LIMIT: \$15,000,000

Deductible: \$25,000

Defends the County's actions and/or pays damages if the County is "negligent" re: **injury to the public and/or damage to public property** arising from County services or from County assets e.g., buildings; parks, pool, arena, unlicensed equipment

# GENERAL LIABILITY ( continued)

---

- No General Aggregate
- Includes Products (like Water)
- Includes professional exposures like engineering staff or building inspection services

Insures: “CORPORATION OF THE  
COUNTY OF MIDDLESEX AND  
MIDDLESEX COUNTY LIBRARY  
BOARD”

# GENERAL LIABILITY ( continued)

---

- BOARDS, COMMISSIONS, COMMITTEES OF **COUNCIL** AND THEIR **MEMBERS**
- STATUTORY OFFICERS / OFFICERS
- FIREFIGHTERS
- EMPLOYEES
- VOLUNTEERS

## INCLUDES:

- **WRONGFUL DISMISSAL (Legal Expense)**

\$250,000 at ONE claim  
\$250,000 annual aggregate  
\$ 5,000 deductible each claim

# ERRORS & OMISSIONS LIABILITY

---

MUNICIPALITIES CAN BE SUED RE:  
INFORMATION GIVEN IN ANSWER  
TO PUBLIC QUERIES, E.G.:

- ZONING
- PLANNING
- BUILDING INSPECTION

COMPENSATORY

DAMAGES

=

DAMAGES FOR  
ECONOMIC  
LOSS

## ERRORS & OMISSIONS LIABILITY (CONT'D)

---

### “Wrongful Acts” ...

- actual or alleged errors
- misstatements OR misleading statements
- omissions

in the performance of services usual  
to the County’s operations

LIABILITY LIMIT: \$15,000,000

DEDUCTIBLE: \$ 10,000

**CLAIMS MADE** – RESPONDS TO  
CLAIMS OCCURRING **AND**  
REPORTED DURING POLICY  
TERM



# NON-OWNED AUTOMOBILE LIABILITY

---

Employers can be held responsible when vehicles are operated on their behalf (or under their direction) even though the employer neither owns nor operates those vehicles

- addresses this ‘vicarious liability’
- provides coverage for the County’s short-term vehicle rental

LIABILITY LIMIT:      \$ 15,000,000

LEGAL LIABILITY FOR DAMAGE  
TO HIRED VEHICLES: \$ 250,000

DEDUCTIBLE:              \$      500

RENTAL PERIOD:        MAXIMUM  
30 DAYS

# EXCESS LIABILITY

---

LIMIT OF LIABILITY:

\$10,000,000

ACHIEVES A TOTAL LIMIT OF  
LIABILITY OF \$25,000,000

## UNDERLYING POLICY / LIMIT

- General Liability \$ 15,000,000
- E & O Liability 15,000,000
- Non-Owned Auto 15,000,000
- Auto Fleet 15,000,000

# ENVIRONMENTAL LIABILITY

---

Pollution incidents threaten public health and the environment.

Municipal exposures:

- retention ponds
- construction sites
- underground fuel storage
- winter maintenance
- marinas
- fire-fighting chemicals

LIABILITY LIMIT: \$ 1,000,000

ANNUAL AGGREGATE: \$ 2,000,000

DEDUCTIBLE: \$ 10,000

**CLAIMS MADE** – RESPONDS TO CLAIMS FIRST MADE AGAINST THE CONTY DURING THE POLICY PERIOD **AND** FOR WHICH THE COUNTY HAD NO PRIOR KNOWLEDGE

# CRIME

---

EMPLOYEE DISHONESTY (Internal fraud-includes theft of property)	\$ 1,000,000
LOSS OF MONEY & SECURITIES	300,000
MONEY ORDERS & COUNTERFEIT CURRENCY	200,000
AUDIT EXPENSE	200,000
DEPOSITOR'S FORGERY	1,000,000
COMPUTER / TRANSFER FRAUD	200,000

# ACCIDENT

ACCIDENTAL DEATH & DISMEMBERMENT	\$ 250,000
PARALYSIS	500,000
WEEKLY INCOME – TOTAL DISABILITY	500
WEEKLY INCOME – PARTIAL DISABILITY	300
ACCIDENTAL DEATH OF SPOUSE WHILE TRAVELLING ON COUNCIL BUSINESS	INCLUDED
24 HOUR COVERAGE	INCLUDED

- Coverage up to and including age 80
- Aggregate limit: \$2,500,000 - accident involving more than one councillor

# LEGAL EXPENSE

---

Covers councillors, board members, directors, officers, employees & volunteers while engaged in County's duties

CLAIMS MADE – immediate report and within policy term)

**LEGAL DEFENCE**                      \$100,000

**ANNUAL AGGREGATE**           \$500,000

Legal expenses in defending:

- alleged criminal offence
- Investigation or charge levied under an ON Regulation or Statute (including Human Rights Tribunals)
- **EXCLUDES:** Highway Traffic Act and Conflict of Interest Act

# PROPERTY

---

- County buildings, contents, equipment
- Protects revenue from income generating facilities
- ALL RISK / REPLACEMENT COST

**DEDUCTIBLE:**    \$ 10,000

**LIMIT:**    OVER \$87,700,000

## INCLUDES:

- Building Bylaws
- Debris Removal
- Pollution cleanup up to \$1,500,000
- Inflation adjustment
- Our own inspection team conducts site visits and establishes values for insurance

# EQUIPMENT BREAKDOWN

---

Works in tandem with the Property policy to respond to “breakdown” of equipment under pressure or types of mechanical, electrical or pressure equipment than can malfunction and cause property damage as well as revenue loss e.g. arena equipment.

**INCLUDES:** Inspection services for boilers and pressure vessels to satisfy the TSSA requirements.

DAMAGE  
LIMIT:

**\$ 50,000,000 PER  
ACCIDENT**

DEDUCTIBLE:

**\$ 10,000**



# OWNED AUTOMOBILE / FLEET

---

PROVIDES MANDATORY AUTO  
INSURANCE FOR THE  
COUNTY'S'S LICENSED  
OWNED & LEASED VEHICLES  
AND TRAILERS

THIRD PARTY LIABILITY: **\$ 15,000,000**

STATUTORY ACCIDENT BENEFITS

DIRECT COMPENSATION PROPERTY  
DAMAGE **DEDUCTIBLE \$10,000**

PHYSICAL DAMAGE  
(Replacement Cost; Valued;  
Actual Cash Value recovery)  
**DEDUCTIBLE \$10,000**

## PROGRAM INCLUDES - RISK MANAGEMENT SERVICES

---

- RISK INSPECTION & ASSET VALUATION
- ROAD SPECIALIST
- FLEET SPECIALIST
- POLICY & PROCEDURAL REVIEW
- CONTRACT / AGREEMENT PARALEGAL REVIEW
- CENTRE OF EXCELLENCE  
[https://www.intactpublicentities.ca//  
centre-of-excellence](https://www.intactpublicentities.ca//centre-of-excellence)
- WEBINARS / SEMINARS / EDUCATIONAL TRAINING
- DAY-TO-DAY RISK GUIDANCE

# QUESTIONS ???

---

**THANK  
YOU**

TONY COMMISSO, CAIB  
REGIONAL MANAGER  
**INTACT PUBLIC ENTITIES**

T. 1-800-265-4000

C. 519 320 1144

[Tony.commisso@intactpublicentities.ca](mailto:Tony.commisso@intactpublicentities.ca)