

Wollaston council talks insurance

By Kristena Schutt-Moore

Insurance was the first topic of conversation for Wollaston council at their meeting on Monday, Dec. 12. A delegation was brought forward by Dwayne Sutherland of McDougall Insurance to talk about changes in the township's insurance. Sutherland's goal was to give the council a high-level summary of the township's insurance program. They started with the commercial general liability policy, the Canadian council liability showed that they have a total of \$5,000,000. But Sutherland said that they actually have a total of about \$50,000,000 in coverage. The coverage is divided up into three sections. The first is \$5,000,000, the second is a \$20,000 umbrella and the third is a \$25,000,000 umbrella on top of that. The township's deductible on that is \$10,000, and Sutherland said that amount is common for many municipal coverages. The general liability covers any bodily injury or property damage the township does to a third party. This includes incidents on roadways, slip and falls, and things like that. Sutherland called it the 'meat and potatoes' of the township's policy. There are additional elements added in, such as the forest fire fighting expense at \$2,000,000. Wrongful dismissal cases are a big thing that insurance companies see, so the township has \$500,000 for that. Conflict resolution reimbursement expense is also in the policy for \$100,000. The township also has legal expense coverage protection at \$100,000, this is in regard to the provincial statutes and limitations, criminal codes and those types of things being investigated. There is also an automobile insurance that would cover staff who may use their own vehicles, and get into an accident and the township could be held liable as well so this policy protects them from that. The other big insurance that Sutherland says insurance companies see is errors and omissions insurance. This insurance covers the council's business decisions. Sutherland gave the example of a township's building department where the chief building official missed something on an inspection, something happens to the home then the home owner comes for the township. The township's property insurance will be increased from \$5.9 million to \$6.156 million due to inflation. That is an increase of roughly four to five per cent. Sutherland says they use a blanket amount to cover all the properties that the township owns and they use a list of buildings and what they are worth to create the amount of coverage. Sutherland also said that it is an item that the township might want to look into increasing slightly because inflation numbers are actually higher than four to five per cent so there could actually be a bit of a deficit in that particular insurance plan if there was a catastrophic type claim filed. This plan covers property, buildings and their contents and equipment. This policy has a \$10,000 deductible. A required coverage for the township to have is the comprehensive crime coverage. It is completely different than a typical commercial policy, it gives the township \$1,000,000 for employee dishonesty. Sutherland used the example of an employee stealing funds or equipment from the township. Wollaston also has \$250,000 in money coverage in case of such a theft. There is no deductible for this insurance package. The volunteer firefighter accident insurance has a principal sum of \$150,000 in the case of loss of life. There is also a small disability coverage in the policy that in the case of injury for the first four weeks there is a disability of \$300 per week after that it is \$500 per week. This is 24 hour coverage for all volunteer fire fighters for Wollaston Township. Cyber insurance is a new hot topic in the insurance world and Wollaston township is one of the first to take part in it. This insurance is to help in the event the township was ever hacked or extorted over their electronic equipment or cyber ware. Wollaston Township is insured for such a cyber attack for \$1,000,000, which has a deductible of \$10,000. Overall, the township's liability premium is up 13 per cent. Sutherland said that this is due to the industry in general, 'Your [Wollaston] industry has been excellent.' He said that people are suing a lot more and the cost of lawsuits are going up a lot especially if medical care is involved.