



**TOWN OF FORT FRANCES
ADMINISTRATION & FINANCE DIVISION
TREASURY REPORT 2013/100**

TO: Mayor Avis & Members of Council
FROM: Debbie Scofield, Deputy-Treasurer
DATE: October 22, 2013
SUBJECT: Renewal of Municipal Insurance 2013-2014

BACKGROUND

The Town of Fort Frances is in its third year of a four-year term of the current insurance RFP. The terms of the RFP state that:

“The contract shall be for a one-year term effective November 1, 2011, with an option to renew for three additional years upon satisfactory negotiation by both parties”.

Attached please find an amended renewal proposal from BFL Canada, reflecting the adjusted property premium for the period November 1, 2013 to November 1, 2014, as well as e-mail correspondence regarding confirmation of blanket coverage on the Town's Property Policy. The quoted amount of \$199,489.44 (including PST) is a 3.03% (\$5,864.20) overall increase from the 2012/13 premiums, with increases in General Liability and Property. For your information I have also attached a history of the Town's insurance premiums from 2005 to 2012.

RECOMMENDATION

That the Administration and Finance Executive Committee recommend accepting the Renewal of Municipal Insurance provided by BFL Canada, represented by Gillons' Insurance Brokers Ltd., for the term November 1, 2013 to November 1, 2014.

Council Approval of This Report Will Agree to the recommendation of the Administration & Finance Executive Committee to accept the Renewal of Municipal Insurance provided by BFL Canada, represented by Gillons' Insurance Brokers Ltd., for the term November 1, 2013 to November 1, 2014.



BFL CANADA Risk and Insurance Services Inc.
181 University Avenue, Suite 1605
Toronto, Ontario M5H 3M7
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1-866-688-9868
Fax: 416-599-5458

Memorandum

DATE: October 10, 2013
TO: Bruce Armstrong @ Gillons Insurance
FROM: Mahsa Hosseinejad
SUBJECT: Town of Fort Frances - 2013 Revised Renewal Proposal

Dear Bruce,

We are pleased to enclose our 2013 Renewal Proposal with respect to the Town of Fort Frances' upcoming November 1, 2013 renewal.

INSURANCE COMPANIES

In order to secure the most competitive terms for the Town of Fort Frances, we approached 3 different insurance companies and asked them to provide a quotation for your Municipal General Liability, Public Officials Errors & Omissions and Non-Owned Automobile coverage. We are presenting the quote from AIG Insurance Company of Canada (your current Property and Automobile underwriter) as they delivered the most competitive price. There is no change in limits, coverage or deductibles.

All other insurance companies for all other policies remain the same.

As we are changing underwriters for the Public Officials Errors and Omissions (claims made) coverage, please ask the Town to survey their employees and report any known claims or incidents that could result in a future claim on or before January 1, 2014 to keep in line with the policy's 60 Day reporting period.

The overall renewal premium has increased from \$181,286 to \$187,022, which is an overall increase of approximately 3%.

The enclosed Renewal Proposal details the changes that account for the increase in the 2013 renewal premium. Please refer to page. 8.

With respect to the Municipal General Liability coverage the increase in premium is due to the overall market conditions with respect to Municipal risks as well as the two open Liability claims dated February 5, 2013 and February 17, 2013.

The Property values were not increased by the 3% inflation rate, as per our client's instructions. The onus is on the Insured to ensure that the declared values on their Property schedule are sufficient in the event of a loss.

Memorandum

From: Bruce Armstrong @ Gillons Insurance

Date: October 10, 2013

From: Mahsa Hosseinejad

Please review and advise if you have any questions or concerns.

If there are no questions or concerns we look forward to receiving your renewal instructions to issue the policy documents and renewal invoices.

The above noted changes are outlined on page 8 of the Renewal Proposal.

Sincerely,



Mahsa Hosseinejad, BA, RIBO, CAIB
Client Service Manager
BFL CANADA

BFL MAKES A DIFFERENCE

**Municipal Insurance Program
Renewal Proposal**

The Corporation of the Town of Fort Frances

For the period
November 1, 2013 to November 1, 2014



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1. INTRODUCTION

It is with pleasure that BFL CANADA presents the Corporation of the Town of Fort Frances with the following Municipal Insurance Program Renewal Proposal.

Please review this document carefully and contact our representative, if you have any questions or comments.

Thank you for your business. We look forward to being of further service to you.

2. SUMMARY OF PROPOSED COVERAGES, LIMITS, DEDUCTIBLES AND PREMIUMS

SUMMARY OF COVERAGES	LIMITS AND DEDUCTIBLES	
MUNICIPAL LIABILITY	\$ 25,000,000	(no annual aggregate)
Including:		
Tenants Legal Liability		
Incidental Medical Malpractice		
Abuse/Molestation		
Third Party Deductible, including expenses	\$ 10,000	per occurrence
Sewer Back Up Deductible, including expenses	\$ 10,000	per claimant
LEGAL EXPENSE FOR STATUTE LAW	\$ 100,000	per action
	\$ 500,000	aggregate
Deductible	NIL	
WRONGFUL DISMISSAL LEGAL EXPENSE	\$ 250,000	per action
	\$ 500,000	aggregate
Deductible	\$ 5,000	per action
FOREST FIRE FIGHTING EXPENSE	\$ 500,000	per occurrence
	\$ 2,000,000	aggregate
Deductible	\$ 10,000	
MEDICAL EXPENSE	\$ 25,000	any one person
Deductible	\$ 2,500	per person
VOLUNTARY COMPENSATION	\$ 50,000	per claim
	\$ 250,000	annual aggregate
Deductible	NIL	
PUBLIC OFFICIALS (ERRORS & OMISSIONS) LIABILITY	\$ 25,000,000	each claim
Including:		
Municipal Employee Benefits Liability		
Deductible	\$ 10,000	each claim;

SUMMARY OF COVERAGES**LIMITS AND DEDUCTIBLES**

S.P.F. 6 – NON-OWNED AUTOMOBILE	\$ 25,000,000	any one accident
Deductible	NIL	
SEF 94 Legal Liability for Non-Owned Vehicles	\$ 250,000	per vehicle
Deductible	\$ 1,000	per vehicle
OWNED AUTOMOBILE – Third Party Liability	\$ 25,000,000	per occurrence
All Perils Deductible	\$ 5,000	per vehicle

* Replacement Cost on all vehicles unless otherwise stated

ENVIROMENTAL IMPAIRMENT LIABILITY	\$ 5,000,000	each loss
	\$ 5,000,000	aggregate
Deductible	\$ 10,000	each loss

* No Retro-Active Date

COMPREHENSIVE CRIME INSURANCE

Employee Dishonesty Form A	\$ 1,000,000
Loss of Money/Security Inside the Premises	\$ 200,000
Loss of Money/Security Outside the Premises	\$ 200,000
Money Orders & Counterfeit Paper Currency	\$ 200,000
Depositors Forgery	\$ 1,000,000
Audit Expenses	\$ 200,000
Computer Fraud	\$ 200,000
Deductible	NIL

COMBINED PHYSICAL DAMAGE BROAD FORM	LIMITS AND DEDUCTIBLES	
Blanket Limit	\$	118,676,423
Property of Every Description	\$	114,873,893
Boiler & Machinery – Limit Per Accident	\$	50,000,000
Valuable Papers	\$	500,000
Extra Expense	\$	500,000
Accounts Receivable	\$	500,000
Gross Rentals	\$	500,000
Media/Computers/Electronic Data Processing	\$	1,600,000
Fine Arts	\$	50,000
Profits	\$	100,000
Expediting Expenses	\$	500,000
Contamination – Ammonia, Hazardous Substance (including PCB)	\$	500,000
Professional Fees	\$	500,000
Pollutant Clean Up and Removal	\$	50,000
Solar Panel Profits	\$	52,530
Fire Suppression System Recharge	\$	25,000
Growing Plants, Trees, Shrubs or Flowers in the Open	Included	(\$10,000 per item including debris removal)
Personal Property of Officers and Employees	Included	(\$5,000 per Officer/Employee)
Water Damage	Included	
Building Damage by Theft	Included	
Debris Removal	Included	
Increased Costs Repairs – Laws & By-Laws	Included	
Consequential Damage – Premises Power Protection	Included	
New Generation	Included	
Inflation Protection	Included	
Exhibition Form/Waterfront Sign	Included	
Deductibles	\$	10,000 per claim except
	\$	1,000 applies to Computer/EDP
	\$	1,000 applies to Fine Arts
	\$	25,000 applies to Anaerobic Digestors
	\$	5,000 applies to Pollutant Clean Up & Removal
	\$	2,500 applies to Fire Suppression System Recharge
	\$	50,000 applies to Flood
	3%	of Total Loss or \$100,000 min., whichever is greater, applies to Earthquake

MUNICIPAL OFFICIALS ACCIDENT**LIMITS AND DEDUCTIBLES**

Principal Sum

\$ 250,000 applies on a 24 Hour Basis

Limits as outlined in Coverage Description

Coverage applies to 7 (Seven) Council Members and Staff Members

RENEWAL PREMIUM: 2013-2014

Annual Premium, as per preceding coverage description: \$187,022.00

Provincial Sales Tax: \$12,467.44

Total Annual Cost, including P.S.T.: \$199,489.44

NOTE: Limits of Liability are comprised of \$5,000,000 Primary with \$20,000,000 Excess. Aggregate limit of \$20,000,000 applies to Products-Completed Operations.

Policies supercede the summaries of insurance contained herein

PREMIUM BREAKDOWN BY LINE OF COVERAGE

NAME OF INSURED: Town of Fort Frances

POLICY PERIOD: November 1, 2013 to November 1, 2014

LINE OF COVERAGE	2012 PREMIUM	2013 PREMIUM	2013 DIFFERENCE IN PREMIUM
Municipal General Liability (includes Public Officials Liability, Employee Benefits Liability, Legal Expense Insurance, and Non-Owned Automobile	\$ 65,098	\$ 70,000	\$ 4,902
Excess Liability	\$ 4,200	\$ 4,200	\$ -
Environmental Impairment Liability	\$ 7,000	\$ 7,000	\$ -
Crime	\$ 600	\$ 600	\$ -
Owned Automobile	\$ 33,710	\$ 31,179	\$ (2,531)
Property (includes Boiler & Machinery and Computer / EDP / Media)	\$ 69,502	\$ 72,867	\$ 3,365
Municipal Officials' Accident	\$ 1,176	\$ 1,176	\$ -
TOTAL - ALL LINES	\$ 181,286	\$ 187,022	\$ 5,736

This quotation has been provided by BFL CANADA Risk and Insurance Services Inc., who is permitted to confirm coverage terms, limits, deductibles, and premiums under a binding authority agreement with the following insurance carriers:

1) AIG Insurance Company of Canada (100%)

Municipal General Liability, Public Officials (Errors & Omissions) Liability, Legal Expense (including Conflict of Interest and Wrongful Dismissal), Municipal Employee Benefits Liability, SPF 6 – Standard Non-Owned Automobile, Owned Automobile, Comprehensive Crime, Combined Physical Damage Broad Form, including Boiler and Machinery

2) Ace INA Insurance (100%)

Environmental Impairment Liability

3) SSQ Insurance Company Inc.(100%)

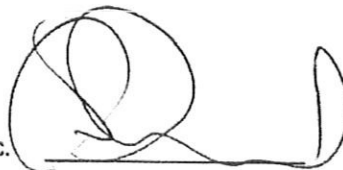
Municipal Officials' Accident

4) Certain Underwriters at Lloyds (100%)

Follow Form Excess Liability

Authorized Signature

BFL CANADA Risk and Insurance Services Inc.



Date: October 10, 2013

3. PREMIUM BREAKDOWN

Please find attached the following premium breakdown:

1. Premium Breakdown per Line of Coverage
2. Property Premium Breakdown
3. Vehicle Premium Breakdown

4. CHANGES IN EXPOSURE FROM EXPIRING POLICY**AUTOMOBILE**

- Deleted 1 Emergency Vehicle valued greater than \$100,000
- Added 1 Emergency Vehicle valued less than \$100,000
- Deleted 9 Trailers

PROPERTY

- As instructed by the Insured, Total Insured Values were not increased by the 3% inflation rate.
- The following changes were made to the Property Schedule:

Vacant School Property	850 Williams Avenue	160,680	Deleted
Fine Art on Loan	259 Scott St.	52,000	Increased values

5. RECOMMENDED IMPROVEMENTS/CHANGES IN COVERAGE**2nd EXCESS LIABILITY**

We suggest the Corporation of the Town of Fort Frances considers increasing their total Liability limit to \$50,000,000 for an Additional Premium of \$2,500.

\$25,000,000 Excess of \$25,000,000 Underlying policies.

**OWNER CONTROLLED
INSURANCE PROGRAM -
CONSTRUCTION
PROJECTS**

Municipalities build new Offices, Public Works Facilities and Community Centres to better serve their community. An important part of these projects is to ensure the proper insurance is in place to protect the Municipality and its interests.

The Owner Controlled Insurance Program is an effective way for a Municipality to have control over their construction project insurance requirements. As the Municipality is the entity organizing the insurance on the project, it can make sure the policies have the correct wording, coverage and limits. An OCIP includes: insurance requirements for the engineering and design professionals (architects, contractors etc), general liability (includes wrap-up liability), environmental and property insurance (course of construction and building materials).

BFL works with each Municipality to create an OCIP policy and risk management plan for their individual construction projects.

**MUNICIPAL OFFICIALS'
ACCIDENT**

Pays benefits to Insured Persons under the age of 80 years who suffer bodily injury as a result of an accident. The policy may apply on either a "While on Municipal Business, including Travel" basis or a "24-Hour" basis, except Weekly Accident Indemnity, which applies only while traveling on business of the Public Sector Entity.

Please see Section 6 for a full breakdown of coverage and limits.

**VOLUNTEER FIRE
FIGHTER ACCIDENT**

Pays benefits to Insured Persons under the age of 80 years who suffer bodily injury as a result of an accident. The policy applies on a "While On Duty" basis ("24-Hour" coverage is available upon request).

Please see Section 6 for a full breakdown of coverage and limits.

**MUNICIPAL OFFICIALS'
CRITICAL ILLNESS**

Pays benefits to Insured Persons under the age of 70 years who suffer a "Critical Illness".

Please see Section 6 for a full breakdown of coverage and limits.

**USERS FACILITY
PROGRAM**

This policy is for the Town's facilities where third parties may rent rooms for private functions and activities. An important Risk Management step is to ensure third party renters have their own insurance when using the Town's facilities. Our Users Facility Program is a "user friendly" system which gives third party renters affordable and easily accessible insurance.

This program is not a Public Entity Insurance Program and does not replace or participate with your General Insurance Program. The User Program enhances your General Insurance Program by transferring the risk. It also offers the following advantages to both the User and the Town:

- It provides the Town with direct knowledge of the insurance protection including its terms, conditions, limitations and the financial stability of the insurer without depending upon the User to find suitable insurance.
- The User is relieved of the need and difficulties of finding acceptable insurance and of providing their own Certificate of Insurance.
- It eliminates the expensive minimum premium cost to the User for "one shot" policies.
- It eliminates the need for the Town to require a Certificate of Insurance from the Users.
- It is convenient and functional to both the Town and its Users.

6. COVERAGE DESCRIPTIONS

The pages that follow offer a brief description of coverages available to municipal entities, including some policy conditions, special features, and exclusions applicable to these lines of Insurance: (see Policy wording for actual conditions and exclusions).

Casualty Insurance Coverage

- Municipal General Liability Insurance
- Legal Expense for Statute Law (including Conflict of Interest and Wrongful Dismissal) Insurance
- Public Officials (Errors & Omissions) Liability Insurance
- Municipal Employee Benefits Liability Insurance
- SPF 6 – Standard Non-Owned Automobile Insurance
- Owned Automobile Insurance (including leased vehicles)
- Follow Form Excess Liability Insurance
- Environmental Impairment Liability Insurance
- Crime Insurance

Property Insurance Coverage

Property Insurance – Combined Physical Damage Broad Form

Accident Coverage

- Municipal Officials' Accident Insurance
- Municipal Officials' Critical Illness
- Volunteer Fire Fighters' Accident Insurance

**Casualty Insurance Coverage
(Risk Management)**

User Facility Program

Please refer to Summary of Proposed Coverages, Limits, Deductibles and Premiums to confirm which of the above lines of coverage are included in this premium quotation.

MUNICIPAL GENERAL LIABILITY INSURANCE

Description	Pays those sums that the Insured becomes legally obligated to pay as compensatory damages because of bodily injury (including personal injury) or property damage
Details of Coverage and Conditions	<ul style="list-style-type: none">▪ Liability for Bodily Injury and Property Damage▪ Incidental Medical Malpractice (including use of defibrillation equipment) included to policy limit▪ Contingent Employers' Liability▪ Blanket Contractual Liability▪ Liability under the Provincial Liquor License Act▪ Personal Injury Liability▪ Tenants Legal Liability▪ Medical Payments▪ Abuse/Molestation▪ Claims settled on an occurrence basis
Named Insured includes	<ul style="list-style-type: none">▪ The Public Sector Entity and all Additional Insureds named on the Policy▪ Council Members▪ Employees▪ Volunteers▪ Committee Members▪ Appointees▪ Statutory Officers▪ Fire Fighters▪ Volunteer Boards, Commissions and Committees (including their Officers, Employees, and Volunteers)

The following lines of coverage are not insured under this section of the policy

- Nuclear Liability
- *Environmental Impairment Liability
- *Errors and Omissions Liability
- *Automobile Liability

Those lines of coverage marked with an asterisk (*) may be insured elsewhere under the package policy or under a



separate policy. Please see Summary of Proposed Coverages, Limits, Deductibles, and Premiums to confirm whether these lines of coverage have been included in the quotation.

The following operations and activities are not insured under the policy. These operations and activities may be added to the policy by special endorsement. Please contact our office if coverage is required for any of these operations and activities:

- Aircraft / Airports / Helipads
- Electrical and / or Gas Utilities
- Hospitals
- Rodeos
- Port Authorities
- Agricultural Fairs and Exhibitions
- Demolition Derbies
- Snowmobile Races

Special Extension of Coverage

Voluntary Compensation can be paid to employees or volunteers of the Insured who suffer an accidental bodily injury while working for the Insured, whether or not the Insured is liable for such bodily injury. This coverage will also pay Medical, Surgical, Pharmaceutical and Hospital expenses within a certain time frame following the accident causing injury.

Voluntary Compensation – Summary of Benefits Schedule

Loss of Life	Up to \$50,000
Temporary Total Disability	Up to \$50,000
Permanent Total Disability	Up to \$50,000
Loss or Total Irrecoverable Loss of Use of:	
Arm	Up to \$50,000
Leg	Up to \$50,000
Hand at Wrist	Up to \$40,000
Foot at Ankle	Up to \$37,500
Thumb	Up to \$12,500
Index Finger	Up to \$12,500
Other Finger	Up to \$ 7,500
Big Toe	Up to \$ 7,500
Other Toe	Up to \$ 5,000
One Eye	Up to \$25,000
Two Eyes	Up to \$50,000
Hearing in One Ear	Up to \$12,500
Hearing in Both Ears	Up to \$50,000

LEGAL EXPENSE FOR STATUTE LAW (Including Conflict of Interest and Wrongful Dismissal) INSURANCE

Description	Reimburses costs of defending Legal Proceedings against any Insured, even if any of the allegations of the action are groundless, false, or fraudulent.
Legal Proceedings refer to:	<ul style="list-style-type: none">▪ Any actual or threatened judicial proceeding brought against the Insured concerning its legal rights, powers, privileges, immunities, duties or liabilities▪ Any actual or threatened judicial procedure brought against the elected Municipal Official concerning the Municipal Conflict of Interest Act, when a contravention is committed through inadvertence or by reason of a bona fide error in judgment
Extension of Coverage	<ul style="list-style-type: none">▪ Wrongful Dismissal extension for reimbursement of legal fees to defend wrongful dismissal actions, subject to a separate limit for any one claim▪ Extension does not apply to Wrongful Dismissal arising from shutdown, redundancies, merger with another municipality, strike, lockout, labour dispute, or union grievance procedure
Details of Coverage and Conditions	<ul style="list-style-type: none">▪ Claims made policy, which insures claims first made during the current policy term▪ Prior claims are covered, provided the Insured had no knowledge of the claim at the effective date of coverage▪ Includes reimbursement for Inquiry, Inquest and Judicial Review▪ Reimbursement as per Provincial guidelines▪ Applies to both Guilty and Not Guilty verdicts (Criminal Code cases are covered for Not Guilty verdicts only)
Exclusions	<ul style="list-style-type: none">▪ Where prohibited by law, Legal Proceedings arising out of contravention of the Criminal Code of Canada, the Highway Traffic Act, or the Municipal Act▪ Legal Proceedings arising out of employment, or involving labour relations
Named Insured includes	<ul style="list-style-type: none">▪ The Public Sector Entity and any Additional Insureds named on the Policy (Wrongful Dismissal only)▪ Council Members▪ Employees▪ Members of Boards, Commissions and Committees

PUBLIC OFFICIALS (ERRORS AND OMISSIONS) LIABILITY INSURANCE**Description**

Pays those sums that the Insured becomes legally obligated to pay as compensatory damages because of "Wrongful Acts" (an actual or alleged violation of a federal, provincial or local statutes or an error, omission, misleading statement, neglect or breach of duty).

Details of Coverage and Conditions

- Claims made policy, which insures claims first made during the current policy term
- Prior acts are covered, provided the Insured had no knowledge of the act at the effective date of coverage
- Extended reporting period available in the event of termination or non-renewal of the policy
- No retro-active date

Named Insured includes

- The Public Sector Entity and all Additional Insureds named on the Policy
- Council Members
- Employees
- Committee Members
- Appointees
- Statutory Officers
- Fire Fighters
- Boards, Commissions and Committees (including their Officers and Employees)

MUNICIPAL EMPLOYEE BENEFITS LIABILITY

Description	Pays claims made by any employee or former employee due to any negligent act, error or omission of the Insured arising out of the administration of employee benefits (Group Life insurance, Group Accident and Health insurance, Pension Plans or Employee Stock Subscription Plans).
Details of Coverage and Conditions	<ul style="list-style-type: none">▪ Claims made policy, which insures claims first made during the current policy term▪ Prior claims are covered, provided the Insured had no knowledge of the claim at the effective date of coverage▪ Extended reporting period available in the event of termination or non-renewal of the policy
Named Insured includes	<ul style="list-style-type: none">▪ The Public Sector Entity and all Additional Insureds named on the Policy▪ Council Members▪ Employees▪ Committee Members▪ Appointees▪ Statutory Officers▪ Fire Fighters▪ Boards, Commissions and Committees (including their Officers and Employees)

SPF 6 – STANDARD NON-OWNED AUTOMOBILE INSURANCE**Description**

- Standard Non-Owned Automobile Policy Form (S.P.F. 6)
- Insures against bodily injury or property damage claims arising from the use or operation of vehicles not owned by the Insured (vehicles that are leased, rented or hired for a period of 30 days or less)

Special Coverage Extensions

- S.E.F. No. 94 – Insuring legal liability for all perils of physical damage to vehicles that are leased, rented or hired for a period of 30 days or less.
- S.E.F. No. 96 – Contractual Liability for Elected Officials, Board Members, Employees and Volunteers for excess liability protection over and above any primary automobile insurance, when on business of the Insured, subject to a Resolution having been passed by the Insured, thus forming a Contractual Agreement (not restricted to authorized trips and does not exclude traveling to and from work)

OWNED AUTOMOBILE INSURANCE (Includes Leased Vehicles)

Description	As per Ontario Automobile Policy (O.A.P. 1) or Insured's Provincial equivalent
Details of Coverage and Conditions	<ul style="list-style-type: none">▪ Insures all vehicles owned, operated or leased by the Insured, except those vehicles leased or rented for less than 30 days (please see Non-Owned Automobile for coverage details on these vehicles)▪ All Compulsory coverages are met or exceeded as per the legal requirements of the Insured's Province▪ Physical Damage coverage insures for loss or damage by "All Perils" (unless specifically endorsed otherwise)
Special Coverage Extensions	<ul style="list-style-type: none">▪ Automatic coverage is provided for newly acquired vehicles through the Blanket Fleet Endorsement▪ All operators of insured vehicles are automatically covered, even if under age 25▪ Liability for trailers, whether or not the property of the Insured▪ Construction or maintenance equipment, whether or not attached to the insured vehicle▪ Permission to carry explosives▪ Permission to rent or lease▪ Permission to carry passengers for compensation or hire▪ Replacement cost coverage provided on all vehicles unless otherwise endorsed▪ Only new parts and materials are used when repairs are made▪ Non-owned equipment endorsement▪ Freezing of Fire Fighting equipment

FOLLOW FORM EXCESS LIABILITY INSURANCE

Description	This coverage provides increased limits with respect to certain Liability coverages, as specifically detailed below, so that total liability limits reach \$25,000,000 each.
Follows Form	<ul style="list-style-type: none">▪ Municipal General Liability▪ Tenants Legal Liability▪ Marina Liability (if applicable)▪ Public Officials (Errors and Omissions) Liability▪ Municipal Employee Benefits Liability▪ Municipal Nursing Home and Health Care Facilities Professional Liability (if applicable)▪ Owned Automobile Liability▪ SPF 6 – Standard Non-Owned Automobile
Exclusion	<ul style="list-style-type: none">▪ War and Civil War▪ Radioactive Contamination▪ Nuclear Energy▪ Toxic Mould▪ Absolute Pollution (Hostile Fire exception)▪ Wrongful Dismissal / Legal Expense for Statute Law
Endorsements	<ul style="list-style-type: none">▪ Service of Suit clause▪ Several Liability clause▪ Identification of Insurer / Action Against Insurer clause▪ Canadian Automobile Insurance Specific Conditions endorsement

ENVIRONMENTAL IMPAIRMENT LIABILITY INSURANCE

Description	Pays on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as Claims for Bodily Injury, Property Damage or Clean-up Costs resulting from "Pollution Conditions" (discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, medical waste and waste materials into or upon land, or any structure on land, the atmosphere, or any watercourse or body of water, including ground water, provided such conditions are not naturally present in the environment in the amounts or concentrations discovered).
Details of Coverage and Conditions	<ul style="list-style-type: none">▪ Claims made policy, which insures claims first made during the current policy term▪ Unknown prior impairments are covered, provided the Insured had no knowledge of the impairment at the effective date of coverage▪ Extended reporting period available in the event of termination or non-renewal of the policy and no retro-active date.
Key Exclusions	<ul style="list-style-type: none">▪ Fines or penalties▪ Liability assumed by the Insured under any contract or agreement except any agreement with Her Majesty the Queen as represented by the Minister of the Environment, or any other agreement specifically endorsed onto the policy▪ Intentional Non-Compliance▪ Abandoned Properties and Acquired Properties (until reported and confirmed)▪ Asbestos and Lead
Named Insured includes	<ul style="list-style-type: none">▪ The Public Sector Entity and Additional Insureds named on the Policy▪ Council Members, Employees, Volunteers▪ Committee Members, Appointees▪ Statutory Officers, Fire Fighters▪ Volunteer Boards, Commissions and Committees (including their Officers, Employees and Volunteers)

CRIME INSURANCE**Description**

Insures against Employee Dishonesty, Loss of Money and Securities, and those costs associated with determining the amount of the loss. Includes the dishonest or fraudulent acts of any employees, appointed officials, Council members, or volunteers.

Details of Coverage and Conditions

- Employee Dishonesty coverage limit applies on a per claim basis, regardless of the number of employees committing the dishonest act
- Loss of Money or Securities Inside the Premises
- Loss of Money or Securities Outside the Premises
- Money Orders and Counterfeit Paper Currency
- Depositors Forgery
- Computer Fraud
- Audit Expenses

Named Insured includes

- The Public Sector Entity and all Additional Insureds named on the Policy
- Commissions, Committees, and Volunteer Boards

PROPERTY INSURANCE, INCLUDING BOILER AND MACHINERY INSURANCE

Description	Insures against direct physical loss of or damage to Property of Every Description. Coverage applies to all property owned by the Insured and property for which the Insured is legally liable or has agreed in advance to insure.
Details of Coverage and Conditions	<ul style="list-style-type: none">▪ Property insured against All Risks of loss or damage, including Flood and Earthquake▪ Replacement Cost Basis of Loss Settlement applies, unless endorsed otherwise▪ No Coinsurance Clause applies▪ New Generation coverage (increase in the Replacement Cost of equipment when necessary to replace with newer equipment, even if it has greater capacity, processing ability or efficiency)▪ Inflation Protection included▪ Vacant property included▪ Automatic coverage for additions, alterations and repairs up to \$1,000,000 in value, to be reported within 90 days for adjustment▪ Inspections of Boilers and Refrigeration Equipment, as required by law, are provided at no additional cost

The following items are insured, to the Total Sum of Insurance amount listed in SUMMARY OF PROPOSED COVERAGES, LIMITS, DEDUCTIBLES, AND PREMIUMS, unless a specific sub-limit has been indicated:

- Computers / Electronic Data Processing Equipment
- Fine Arts
- Water Damage to building, contents and equipment
- Building Damage by Theft
- Debris Removal
- Increased Costs of Repairs – Laws and By-laws
- Consequential Damage – Premises Power Protection
- Removal Costs to prevent loss or damage
- Growing Plants, Trees, Shrubs or Flowers in the Open (\$10,000 limit per item, including Debris Removal)
- Personal Property of Officers and Employees (\$5,000 limit per Officer or Employee)

Property Excluded from Coverage

- Licensed vehicles, watercraft over 8 metres in length, or aircraft
- Bridges, dams, parking meters, power lines, fencing
- Pavement, roads, streetlights, guardrails, road signs, tunnels
- Please see the Policy Wordings for a complete description of Excluded Property.
- Please contact our office if you require a coverage quotation for any excluded items listed above.

Perils Excluded from Coverage

- War
- Nuclear Incident
- Criminal Acts of the Insured's employees or agents
- Wear and tear
- Terrorism
- Fungi and Fungal Derivatives

Named Insured includes

- The Public Sector Entity and all Additional Insureds named on the Policy
- Lessors, Mortgagees, and other third party interests, as requested by the Public Sector Entity, when appropriate

MUNICIPAL OFFICIALS' ACCIDENT INSURANCE
Description

Pays benefits to Insured Persons under the age of 80 years who suffer bodily injury as a result of an accident. The policy may apply on either a "While on Municipal Business, including Travel" basis or a "24-Hour" basis, except Weekly Accident Indemnity, which applies only while traveling on business of the Public Sector Entity.

Please refer to Summary of Proposed Coverages, Limits, Deductibles, and Premiums for the Principal Sum Amount applicable to this quotation.

DESCRIPTION OF BENEFIT	MAXIMUM AMOUNT PAID	
	\$150,000 Principal Sum	\$250,000 Principal Sum
Loss of Life	\$150,000	\$250,000
Paralysis (Quadriplegia, Paraplegia, Hemiplegia)	\$300,000	\$500,000
Permanent Total Disability	\$150,000	\$250,000
Seat Belt Benefit	\$ 15,000	\$ 25,000
Hospital Indemnity (for up to 365 days per injury)	\$50.00 per day Maximum \$2,500 per month	\$83.33 per day Maximum \$2,500 per month
Spousal Benefit (Loss of Life only)	\$10,000	
Repatriation Benefit	\$15,000	
Funeral Expense Benefit	\$ 5,000	
*Education Benefit (up to 4 years per eligible child)	\$5,000 per year per eligible child	
*Day Care Benefit (up to 4 years per eligible child)	\$5,000 per year per eligible child	
Rehabilitation Benefit	\$15,000	
Occupational Training	\$15,000	
Weekly Accident Indemnity – Total Disability	\$500 per week	
Weekly Accident Indemnity – Partial Disability	\$250 per week	
**Accident Reimbursement Expense	\$10,000	
Accidental Dental Expense	\$ 2,000	
Fracture	\$ 2,500	
Complete Dislocation	\$ 1,050	
Severance of tendon or tendons	\$ 550	
Miscellaneous injuries: ruptured kidney, liver or spleen; punctured lung requiring surgery; burns requiring skin grafts; knee requiring surgery; bone operation	\$ 675	
Eyeglasses or Contact Lenses	\$ 2,000	
Family Transportation	\$15,000	
Home Alteration and/or Vehicle Modification Benefit	\$15,000	
Work Place Modification and Accommodation Benefit	\$ 5,000	
Aggregate Limit per any one accident	\$2,500,000	

*If none of the Insured Person's children are eligible for either the Education or Day Care Benefits, \$2,500 will be paid to the Insured Person's beneficiary.

**Expenses covered under this benefit include, but are not limited to: upgraded hospital accommodation; prescribed Nurse (up to \$5,000); prescription drugs, sera and vaccines; physiotherapy (up to \$25 per treatment, \$250 per accident, \$500 per policy term); ambulance services (up to \$1,000); hearing aids, crutches, splints, casts, trusses, and braces; rental of wheelchair or iron lung (up to \$5,000); and chiropractic care (up to \$25 per treatment, \$250 per accident, \$500 per policy term).

Details of Coverage and Conditions

In the event of accidental death of the Insured Person, the benefit is paid to the Estate of the Insured Person, unless an alternate Beneficiary has been previously declared to the Public Sector Entity

Exclusions

- Suicide or intentionally self-inflicted injury
- Participation in a riot, insurrection, civil commotion or disturbance
- Active full-time, part-time or temporary services in the armed forces of any country
- War
- Sickness or disease
- Persons while acting in their duty as an aircraft pilot or crew member
- Experimental drugs not approved by the appropriate governing authority

Named Insured includes all persons eligible for coverage, which the Public Sector Entity has declared to the insuring company, and for whom premium has been paid. Such persons can include, but are not limited to:

- Active Council Members
- Directors, Trustees and Officials
- Members of Commissions, Boards, or other special units
- Other employees or volunteers of the Insured Public Sector Entity, as declared

MUNICIPAL OFFICIALS' CRITICAL ILLNESS INSURANCE

Description	Pays benefits to Insured Persons under the age of 70 years who suffer a "Critical Illness". Please refer to Summary of Proposed Coverages, Limits, Deductibles, and Premiums for the Principal Sum Amount applicable to this quotation.
Details of Coverage and Conditions	<p>In the event of a Critical Illness affecting of the Insured Person, the benefit is paid to the Estate of the Insured Person, unless an alternate Beneficiary has been previously declared to the Public Sector Entity.</p> <p>Critical Illness includes: Heart Attack, Coronary Artery Bypass Surgery, Stroke, Life Threatening Cancer, Parkinson's, Alzheimer's Disease, Multiple Sclerosis, Kidney Failure, Paralysis, Blindness, Deafness, Loss of Speech, Benign Brain Tumour, Coma, Major Burns, Major Organ Transplant, Major Organ Failure Requiring Transplant, Motor Neuron Disease, subject to the policy definitions.</p>
Exclusions	<ul style="list-style-type: none">▪ Diagnosis of Cancer within 90 days of coverage inception, including any symptoms or medical problems commenced and initiated investigations leading to the subsequent diagnosis of cancer▪ Suicide or intentionally self-inflicted injury▪ The use of illicit drugs▪ Pre-existing Conditions unless if diagnosed Twenty-four (24) months after the Insured Persons effective date
Named Insured includes	All Council Members eligible for coverage, which the Public Sector Entity has declared to the insuring company, and for whom premium has been paid.

VOLUNTEER FIRE FIGHTERS' ACCIDENT INSURANCE
Description

Pays benefits to Insured Persons under the age of 80 years who suffer bodily injury as a result of an accident. The policy applies on a "While On Duty" basis ("24-Hour" coverage is available upon request).

Please refer to Summary of Proposed Coverages, Limits, Deductibles, and Premiums for the Principal Sum Amount applicable to this quotation.

DESCRIPTION OF BENEFIT	MAXIMUM AMOUNT PAID	
	\$150,000 Principal Sum	\$250,000 Principal Sum
Loss of Life	\$150,000	\$250,000
Paralysis (Quadriplegia, Paraplegia, Hemiplegia)	\$300,000	\$500,000
Heart and Circulatory Malfunction	\$150,000	\$250,000
Permanent Total Disability	\$150,000	\$250,000
Cosmetic Disfigurement Indemnity	\$150,000	\$250,000
Infectious Disease Benefit	\$150,000	\$250,000
Seat Belt Benefit	\$ 15,000	\$25,000
Hospital Indemnity (for up to 365 days per injury)	\$50.00 per day Maximum \$2,500 per month	\$83.33 per day Maximum \$2,500 per month
Repatriation Benefit	\$10,000	
Funeral Expense Benefit	\$ 5,000	
*Education Benefit (up to 4 years per eligible child)	\$5,000 per year per eligible child	
*Day Care Benefit (up to 4 years per eligible child)	\$5,000 per year per eligible child	
Rehabilitation Benefit	\$10,000	
Occupational Training	\$10,000	
Weekly Accident Indemnity – Total Disability	\$500 per week	
Weekly Accident Indemnity – Partial Disability	\$250 per week	
Home-Maker Weekly Indemnity	\$150 per week	
**Accident Reimbursement Expense	\$10,000	
Accidental Dental Expense	\$ 2,000	
Dentures or Bridgework Benefit	\$ 500	
Fracture	\$ 2,500	
Complete Dislocation	\$ 1,050	
Severance of tendon or tendons	\$ 550	
Miscellaneous injuries: ruptured kidney, spleen or liver; punctured lung requiring surgery; burns requiring skin grafts; knee requiring surgery; bone operation	\$ 675	
Eyeglasses or Contact Lenses	\$ 200	
Family Transportation and Accommodation Benefit	\$10,000	
Home Alteration and/or Vehicle Modification Benefit	\$10,000	
Aggregate Limit per any one accident	\$2,500,000	

*If none of the Insured Person's children are eligible for either the Education or Day Care Benefits, \$2,500 will be paid to the Insured Person's beneficiary.

**Expenses covered under this benefit include, but are not limited to: upgraded hospital accommodation; prescribed Nurse (up to \$5,000); prescription drugs, sera and vaccines; physiotherapy (up to \$5,000 per policy term); ambulance services (up to \$1,000); hearing aids, crutches, splints, casts, trusses, and braces (up to \$750 per policy term); rental of wheelchair or iron lung (up to \$5,000); and chiropractic care.

Details of Coverage and Conditions

- All duties of the Volunteer Fire Department are covered,



including meetings, training drills, parades, fundraising events, and equipment testing

- In the event of accidental death of the Insured Person, the benefit is paid to the Estate of the Insured Person, unless an alternate Beneficiary has been previously declared to the Public Sector Entity

Exclusions

- Suicide or intentionally self-inflicted injury
- War
- Participation in a riot, insurrection, civil commotion or disturbance
- Active full-time, part-time or temporary service in the Armed Forces of any country
- Sickness or disease, other than as provided under "Heart and Circulatory Malfunction Benefit" and "Infectious Disease Benefit"
- Persons while acting in their duty as an aircraft pilot or crew member
- Persons not covered under any Federal or Provincial Hospital or Medical Plan
- Experimental drugs not approved by the appropriate governing authority, or experimental medical treatments

Named Insured includes

All active members of the volunteer fire brigade, whether or not they receive remuneration for their services, as well as individuals drafted into emergency service at the scene of a fire by the Fire Chief or Acting Fire Chief of the Insured Public Sector Entity.

USERS FACILITY PROGRAM

This program is not a Public Entity Insurance Program and does not replace or participate with your General Insurance Program. The User Program enhances your General Insurance Program by transferring the risk. It also offers the following advantages to both the User and the Municipality:

- It serves as a promotion/sales tool for the Municipality to attract more Users by having insurance readily available at reasonable rates, thereby increasing revenues for the Municipality.
- It provides the Municipality with direct knowledge of the insurance protection including its terms, conditions, limitations and the financial stability of the insurer without depending upon the User to find suitable insurance.
- The User is relieved of the need and difficulties of finding acceptable insurance and of providing his own Certificate of Insurance.
- It eliminates the expensive minimum premium cost to the User for "one shot" policies.
- It eliminates the need for the Municipality to require a Certificate of Insurance from the Users.
- It is a convenient and functional to both the Municipality and its Users.

An open "Master Policy" is issued to the Tenants and/or Lessees of the Facilities, owned and/or operated by "The Corporation of the Named Municipality" c/o "The Corporation of the Named Municipality".

Coverage applies only when the Facilities are rented to and being used by the Tenants/Users/Lessees for short-term events and are specifically declared to the "Master Policy".

Tenants/Users/Lessees of the Facilities are added as "Named Insureds" to the Master Policy. The Municipality is automatically an "Additional Insured" at no charge.

A certificate of insurance can be issued to the Tenant/User/Lessee if requested



Bruce Armstrong
<Bruce.Armstrong@gillons.on.ca>

10/10/2013 10:35 AM

To "dscofield@fort-frances.com" <dscofield@fort-frances.com>

cc Carrie Shouldice <Carrie.Shouldice@gillons.on.ca>

bcc

Subject FW: Insurance Renewal - Fort Frances

Hi Debbie,

Attached and below is the information you require to complete your agenda for the next Council meeting. Let me know if you have any questions or concerns.

Bruce Armstrong C.A.I.B
Account Executive
Gillons' Insurance Brokers Ltd.
Phone 807-274-8595 ext.230
Toll Free 1-800-465-7797
bruce.armstrong@gillons.on.ca
www.gillons.on.ca

-----Original Message-----

From: Mahsa Hosseinnjad [mailto:mhosseinnjad@bflcanada.ca]
Sent: Thursday, October 10, 2013 10:13 AM
To: Bruce Armstrong
Cc: Carrie Shouldice; Mike Johns
Subject: RE: Insurance Renewal - Fort Frances

Hi Bruce,

Please find attached the revised Premium Split and Property Premium breakdown. I have revised it to incorporate the 2012 expiring Property values. Please advise our client that they do not have to increase all of their locations by the 3% inflation rate and can choose to apply the rate to location where they think could be under insured.

We can confirm that their Property policy offers Blanket coverage, and that there are no penalties/co-insurance clauses should there be an insured loss at one of the insured locations and the value declared lower than the actual replacement cost. However, our client should be advised that if the property is grossly underinsured it can cause problems, as the onus is on the Insured to ensure that the declared values on their Property schedule are sufficient in the event of a loss.

I will send you an email with respect to our User Facility program shortly.

Awaiting binding instructions.

Please let us know if you have any questions.

Thank you

Mahsa Hosseinnjad, BA, RIBO, CAIB
Client Service Manager

BFL CANADA Risk and Insurance Services Inc.
181 University Avenue, Suite 1605, Toronto, Ontario M5H 3M7 Direct Line:
416-915-3449 | Email: mhosseinnjad@BFLCANADA.ca Toll Free: 1-800-668-5901
ext. 3449 | Fax: 416-599-5458

Insurance Distribution		GILLONS Renewal 2012/13	GILLONS RFP Year 2011/12	AON Renewal 2010/11	AON Renewal 2009/10	AON RFP Year 2008/09	GILLONS Renewal 2007/08	GILLONS RFP Year 2006/07	AON
Administration Vehicle	G-121-2910-1580	369	738.00	421.00	421.00	421.00	590.00		2005/06
Police Department	G-233-1500-1580	3900.69	3,697.38	3,585.93	3,678.53	1,591.22	3,119.04	3,280.55	2,745.09
PW-Insurance	G-311-1500-1580	24277.32	23,795.64	6,724.13	6,714.45	6,524.61	30,876.12	29,896.92	17,758.56
PW-Vehicles	G-333-2910-1580	12394	12,078.00	10,441.00	10,441.00	10,441.00	16,596.00	15,843.00	11,516.40
Fire Department-Vehicles	G-211-2910-1580	4839	4,609.00	5,600.00	6,321.00	6,321.00	6,644.00	6,633.00	4,969.00
Fire Department	G-211-1500-1580	4312.17	4,072.14	4,372.94	4,366.63	2,332.98	4,227.12	4,334.63	3,251.79
Handi-Van Transit	G-653-2910-1580	3111	2,074.00	3,022.00	3,022.00	3,022.00	1,850.00	1,850.00	2,925.40
Airport	G-390-1500-1580	3438.88	3,622.12	5,734.29	5,751.96	5,461.05	5,969.12	3,503.50	5,380.93
Day Care	G-641-6410-1580	1440.18	1,368.36	1,308.89	1,307.01	796.15	555.12	572.07	779.68
Resource Centre	G-643-6430-1580	1440.18	1,368.36	1,308.89	1,307.00	796.16	555.12	572.06	779.67
Resource Centre-Vehicle	G-643-2910-1580	369	369.00	421.00	421.00				
Parks & Cemeteries	G-580-1500-1580	11388.6	11,348.64	3,732.57	3,793.67	3,816.24	12,711.60	13,017.01	10,587.45
Parks & Cemeteries-Vehicles	G-580-2910-1580	6450	8,472.00	9,923.00	9,217.00	8,796.00	5,856.00	5,817.00	5,932.00
Memorial Sports Centre	G-722-1240-1580	35077.64	33,506.60	27,238.61	27,736.77	28,178.46	32,296.56	31,530.02	30,299.10
Library	G-781-1240-1580	4526.28	5,265.00	11,942.83	5,638.23	5,182.02	2,525.28	2,581.35	3,668.00
Museum	G-791-1240-1580	2139.48	1,945.08	3,168.61	3,180.54	3,244.24	1,737.72	1,218.10	1,229.77
Sorting Gap	G-817-1240-1580	5828.76	5,759.64	1,073.80	1,078.81	1,038.68	6,797.52	5,914.63	4,322.68
Building Official Vehicle	G-813-2910-1580	369	369.00	421.00	421.00	421.00	622.00	622.00	953.37
ByLaw-Vehicles	G-271-2910-1580	829	829.00	991.00	991.00	991.00	754.00	849.04	953.37
ByLaw-Animal Shelter	G-272-1500-1580	29.16	25.92	33.00	31.74	27.59	85.32		
SKC	G-622-6220-1580	1285.2	1,166.40	1,466.59	1,410.19	631.54	1,662.12	1,075.68	2,390.00
Townshend Theatre	G-713-1500-1580	238.68	216.00	271.85	261.39	237.63	155.52	605.88	978.00
Town Real Estate	G-122-1500-1580	164.16	147.96	70.93	122.76	106.29	717.12	401.76	435.00
Sewer Pollution Control	S-410-1500-1580	25006.68	22,955.40	26,911.94	26,816.28	27,246.26	14,585.40	14,319.73	20,695.27
Waterworks	W-961-1500-1580	24406.2	22,008.24	34,439.43	34,447.70	35,135.84	11,052.96	10,298.98	18,618.01
General Insurance	G-140-1500-1580	12273.3	10,655.28	17,954.45	17,362.26	12,647.36	19,178.48	19,857.05	16,885.08
Sunny Cove	G-740-1240-1580	3435.48	3,381.48	654.53					
Solar Panels	G-830-1500-1580	286.2	231.12						
TOTALS		\$193,625.24	\$186,074.76	\$183,234.21	\$176,260.92	\$165,407.32	\$181,719.24	\$174,593.96	\$168,053.62
Increase/Decrease over prior year		4.06%	1.55%	3.95%	6.56%	-9.86%	4.09%	3.89%	

Note: Does not include FFNPH insurance which was paid from Town for 2005-2008 and invoiced to RRDSSAB. Subsequent years have been paid directly by RRDSSAB.