

# VILLAGE OF POINT EDWARD MINUTES

## Special Council Meeting – December 22, 2005

4:30 p.m. – Council Chambers, Point Edward Municipal Office  
135 Kendall Street, Point Edward, Ontario

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### Council Members Present:

Mayor Kirkland                      Deputy Mayor Robson  
Councillor MacKenzie              Councillor Bourrie (5 p.m.)

### Staff Present:

CAO Cramp

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### DISCLOSURE OF PECUNIARY INTEREST

There were no disclosures of pecuniary interest.

### DELEGATION

#### Resolution #1

Moved by Deputy Mayor Robson  
Seconded by Councillor MacKenzie  
THAT John Orr and Jeff Coleman be invited within the bar, at 4:30 p.m.

CARRIED.

Mayor Kirkland advised that Council had received the insurance premiums for 2006 and they had been increased by 55% or approx. \$70,000. He asked that the representatives advise Council of the reasons for the large increases.

Mr. Coleman advised that Frank Cowan has been a Managing General Agent for 78 years working on behalf of municipalities and similar organizations. It is all they have ever done. They have developed a good repore with the insurance companies and they have been given the underwriting. In the late 90's, there was only one insurer left that could be used for this purpose. The main area that is causing the difficulties is the Liabilities for all municipalities.

Mr. Coleman noted that John Orr is the independent broker who assists the Village with their account and any claims that may occur.

The insurance company that left was experiencing large losses and the settlements normally occur 4 to 7 years later. As a result, Frank Cowan had to replace the company that left. They brought in a new insurer to cover the first \$5 million for each claim. However there have been too many claims. Municipal claims have increased substantially and it has resulted in multi-million dollar losses resulting in larger dollars for liability coverage. They are also requiring that deductibles increase. Although the Village does not have a large experience of claims, we become part of the big, overall problem. The Auto and Property sections have only minor changes. The big changes come with Liability, Errors and Omissions and Environmental claims.

One of the biggest issues is the legislation which allows a court to require that one organization pay the whole claim even if they are found to be only 1% negligent. Mr. Coleman commented on a number of claims where municipalities were required to pay even though they were minimally involved.

The Town of Essex has circulated a resolution to petition the government to change the legislation to try to get a capping of the joint/several liability at 50%. It is important that every municipality support the resolution and lobby AMO and the province to make the required changes.

Frank Cowan has hired three new risk management managers to their department. There will be more regional seminars on risk management and providing methods to protect municipalities from liability claims.

Council thanked Mr. Coleman and Mr. Orr for their presentation.

**Resolution #2**

Moved by Councillor MacKenzie

Seconded by Deputy Mayor Robson

THAT the Insurance Premium through Frank Cowan Company Limited, be paid for the year 2006.

CARRIED.

**RESOLUTION TO ADJOURN TO AN 'IN CAMERA' SESSION**

**Resolution #3**

Moved by Deputy Mayor Robson

Seconded by Councillor MacKenzie

THAT Council adjourn to an 'In Camera' session to discuss matters subject to solicitor-client privilege, at 5:15 p.m.

CARRIED.

**RESOLUTION TO RECONVENE TO REGULAR COUNCIL SESSION**

**Resolution #4**

Moved by Deputy Mayor Robson

Seconded by Councillor Bourrie

THAT Council reconvene to regular Council Session, at 6:30 p.m.

CARRIED.

**REPORT OF THE CLOSED SESSION MEETING OF COUNCIL**

CAO Cramp advised that there were no items to report from the Closed Session.

**RESOLUTION TO ADOPT THE REPORT OF THE CLOSED SESSION**

**Resolution #5**

Moved by Councillor Bourrie  
Seconded by Councillor MacKenzie  
THAT the report from the closed session, be approved.

CARRIED.

**BUSINESS FROM COUNCILLORS**

There was no Business from Councillors at this time.

**ADJOURNMENT**

**Resolution #6**

Moved by Councillor MacKenzie  
Seconded by Deputy Mayor Robson  
THAT the Council Meeting be adjourned at 6:35 p.m. until the January 10, 2006 call of the Chair or at such time as a Special Committee meeting is held to discuss legal matters, property matters or personnel matters.

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Mayor Dick Kirkland

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CAO/Clerk Peggy Cramp