

South Bruce OPP Detachment Board AGENDA

Monday, September 16, 2024, 11:00 a.m.
Via Zoom

	Pages
1. Call to Order	
2. Disclosures of Conflict of Interest and/or Pecuniary Interest and General Nature Thereof	
3. Approval of Agenda	
4. Reports	
4.1 Detachment Board Insurance Option	1
5. Adjournment	

Staff Report to Board

Title: Detachment Board Insurance Options

Meeting Date:
Monday, September 16, 2024

Recommendation:

That the South Bruce OPP Detachment Board direct Staff to confirm with the Ontario Association of Police Services Boards that the Board will opt in to the Group Insurance Policy for an amount of not more than \$5,000 plus tax; and

That if there are not a sufficient number of Detachment Board to enact this policy, that the Board directs Staff to obtain insurance with Intact Public Entities (IPE) with a limit of \$5,000 for an amount of \$5,406 plus tax.

Executive Summary:

The South Bruce OPP Detachment Board has three options to choose from regarding insurance for the Board.

- Group Insurance coordinated by the Ontario Association of Police Services Board (OAPSB)
- Intact Public Entities
- AON

Staff have worked with the Insurance Broker for the Municipality of Kincardine to compare the various options and are recommending the Group Insurance option as it is the best value and provides all of the necessary coverage.

However, 40 detachment boards across the Province have to “opt in” to make this policy viable. So, if this is not possible, Staff are recommending the Intact Public Entities option.

Financial Considerations:

The budget for the South Bruce OPP Detachment Board is \$25,000 for 2024 with \$5,000 coming from each Municipality.

The cost for the various options would be as follows exclusive of HST:

AON	\$5,250
Intact Public Entities	\$5,406
Group Insurance (Medallion)	\$3,000 to \$5000

In order to obtain the Group Insurance, the Detachment Board must join the OAPSB. Currently we have an application in but require approval of the Board to proceed. The cost for the membership is \$

Policy:

[Community Safety and Policing Act, 2019, S.O. 2019, c. 1, Sched. 1](#)

Context and Background Information:

The Community Safety and Policy Act (CSPA) Section 67 (6) 10. Provides that Section 49 of the CSPA applies to O.P.P. Detachment Boards. Section 49 states that (1) a detachment board may contract, sue and be sued in its own name and (2) members of the detachment board are not personally liable for the board's contracts. The Municipal Act does not identify a detachment board as a local board and as such the Board cannot be covered under any of the participating municipalities existing insurance.

When the CSPA came into effect on April 1, 2024, it was quickly realized that the Detachment Boards across the Province were not able to obtain insurance. The Boards were advised not to meet until they could obtain insurance and the OAPSB began to work with insurance providers to find insurance solutions for the Detachment Boards. With their advocacy, three options are now available to Detachment Boards across the Province.

Staff have worked with Todd Farrell, from Miller Insurance who are the Insurance Brokers for the Municipality of Kincardine. Mr. Farrell has provided a chart that compares the various insurance options.

1. Group Insurance

The OAPSB has negotiated for an OAPSB Group Insurance Policy through [Medallion Insurance](#). To enact this policy, the OAPSB will require 40+ detachment Boards to "opt in". If they get the required numbers, the insurance has a tentative start date of October 1st, 2024.

The OAPSB will complete the application, so no application will be required for each board in year one. Staff have provided them with the required question survey.

Unlike the other policies, this policy would include cyber and errors and omissions liability along with Directors and Officers Liability.

In order to "opt in" for this insurance, the Board would need to approve an application to be a part of the OAPSB.

The drawback to this insurance is that it requires 40+ detachment boards to commit and if there is not that commitment, the option will not be available.

However, it is the best value and provides all of the coverages necessary. It will also streamline the process of acquiring and renewing insurance coverage for the participating boards.

Intact Public Entities

Staff also completed the Not-for-Profit Director's and Officer's Liability applications with Intact Public Entities (IPE). This insurance product would be entered into by the Detachment Board on their own. Intact is well known for providing insurance to Municipalities with many of the participating municipalities in the Detachment Board using its products.

Staff have received two quotes from IPE: one with a \$10 million Commercial General Liability limit and another with a \$5 million limit. The \$5 million limit is the quote used for comparison purposes as it matches the coverage limits from AON and for the Group Insurance.

This policy includes Director's and Officer's Liability and does not include the Errors or Omissions Liability and the Cyber coverage.

This would be the next best value and would be entered into independently by the Board. This means that the Detachment Board meetings could start when the insurance is obtained without waiting for other Boards to join.

AON

Staff also obtained a quote from AON. This insurance product would be entered into by the Detachment Board on their own. This insurance product did not provide Director's and Officer's Liability, Errors & Omissions or Cyber.

As the primary intent of this insurance policy would be to protect the Board, the exclusion of Director's and Officer's Liability coverage would not be ideal and therefore staff would not recommend proceeding with this quote.

Consultation Overview:

Staff have worked with the OAPSB and our Insurance Broker to apply for and compare the various insurance quotes. Staff have also been in touch with Detachment Board contacts from around the Province.

Origin:

Enactment of the Community Safety and Policing Act.

Implementation Considerations:

Once the Detachment Board has decided, Staff will proceed to obtain the appropriate insurance coverage. Once coverage is in place, Staff will set up a regular meeting of the Board.

Risk Analysis:

Proceeding without insurance coverage would leave the Detachment Board exposed with no coverage.

Attachments: Spreadsheet with Insurance Comparison

Submitted by: Jennifer Lawrie, Manager of Legislative Services/Clerk – Municipality of Kincardine.

South Bruce Police Services Board Insurance Comparison

	AON	IPE	Group	Comments
CGL				
Limits	\$5,000,000	\$10,000,000	\$5,000,000	\$5 million would be the minimum. Met by all
Voluntary Medical	\$25,000	\$50,000		
Voluntary Property Damage		\$50,000		
Voluntary Compensation - Employees		\$50,000/\$250,000		
Forest Fire	\$1,000,000	\$1,000,000		
Abuse Liability	Not Insured	Not Insured	\$100,000	
Non-owned Auto	\$5,000,000	\$10,000,000	\$5,000,000	
Legal Liability for Damage to Hired Automobiles	\$75,000	\$50,000		
Deductible	\$5,000	\$5,000	???	Unknown deductible on group side
Premium	\$5,250	\$6,585	\$4,000 - estimated	
		\$5,406		Alternative quote from Intact reducing to \$5 million limit
Director's and Officers Liability				
Limits	Not insured	\$5,000,000	\$5,000,000	
Insuring Agreement A - Personal Insurance		\$1,000,000		
Deductible		\$5,000		
Premium		\$2,323	Inc.	
Errors and Omissions Liability				
Limits	Not insured	Not insured	\$1,000,000	For Policy Guidance and Training (Group offering)
Deductible				
Premium			Inc.	
Cyber				
Limits	Not insured	Not insured	\$50,000	Not sure about the actual exposure here
Deductible				
Premium			Inc	

Endorsements of Note:

Admin E&O Liability - AON
Crisis Management Liability - AON
Employment Practices Liability - AON

Notes:

AON - not offering separate policies for D&O, E&O or Cyber. Without the wordings tough to actually compare. Certainly would prefer to see an Actual D&O policy. Not my recommendation.

Intact - Quoted \$10 million as the limit due to an uptick in police chase/police related claims. (their comment)

D&O is, in my opinion the Board's biggest exposure and is an absolute must have. No problem recommending this quote but the Group option is certainly more cost effective

D&O form of coverage. While the Municipal E&O provides broad coverage arising out of a negligent or wrongful act, it does not cover any claim arising out of contractual issues or disputes nor does it insure expenditures or compensation payable pursuant to Statutory or Regulatory Authority. D&O does. Contractual issues would also include employment practices matters (including those relating to volunteers).

Group Quote: Not sure the exposure under the E&O coverage but as long you're comfortable at \$5,000,000 limit on the CGL, I think the group program is the best value and provides all of the coverages necessary and would be my recommendation if they are set up and ready to go.