


Changing Climate - Rising Costs



David Tupper
MIABC – Claims & Risk Analyst

SILGA
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Municipal Insurance Association of B.C.

A self-insured pool of 170+ local governments


Liability coverage

- Bodily Injury
- Property Damage
- Errors & Omissions

Property coverage

Ancillary coverages

- Course of Construction
- Cyber



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What We Do

- 1 Respond to liability and property claims
- 2 Identify member risks
- 3 Offer risk management advice and education
- 4 Provide risk management tools and resources



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Key source of climate change risk in B.C.? Three words

Section 744 of the *Local Government Act*:

A municipality, municipal council, regional district, regional district board, improvement district or greater board is not liable in any action based on nuisance or on the rule in the *Rylands v. Fletcher* case if the damages arise, directly or indirectly, out of the **breakdown or malfunction** of:

- (a) a sewer system,
- (b) a water or drainage facility or system, or
- (c) a dike or a road.



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How does this affect insurance costs?



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Immunity from Claims? Policy Defence



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Marchi v. The City of Nelson



Clarification from the Supreme Court of Canada

1. Core policy decisions are made by those responsible for balancing priorities and allocating resources.
2. Core policy decisions are made after sustained deliberation and debate.



Clarification from the Supreme Court of Canada

- 3. Day-to-day budgetary decisions are not core policy decisions.
- 4. Core policy decisions are based on value judgements, not technical standards or objective criteria.



To Ensure Core Policy Decisions



Ensure the decision maker is responsible for balancing competing interests and allocating resources.



Build in a consultation and deliberation process.



Document the decision-making process.



