

Municipal Claims Trends



The Past

- Foundation subsidence and differential settlement claims
- Costly to investigate and defend, and indemnity was usually quite high



Building Envelope Claims

- “Leaky Condo” claims started in the early 1990’s and were in full swing in the mid to late 1990’s



Building Envelope Claims

- \$5.7 million spent to investigate and defend, over \$10 million in indemnity payments
- MIABC excludes building envelope coverage at the beginning of January 2002



What Could Have Been?

Toxic Mold Claims



What Could Have Been?

Concrete Condominium Towers

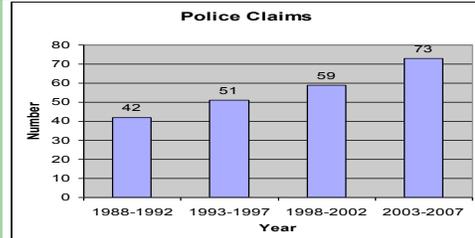


Present

- Law Enforcement
- Increased frequency and it is expected to continue



MIABC Police Claims Experience



Earth Movement

- Landslides, sloughing and erosion claims are low in frequency but high in severity
- However, in the past 10 years MIABC has had a 100% increase in earth movement claims



Defamation: Libel & Slander

- Increase in the number of defamation claims and threats of defamation claims (especially in election years)
- “If you have nothing nice to say (or write) don’t say (or write) anything at all”



Motor Vehicle Claims – Increasing Awards



Local Government seen as having “deep pockets”



The allegations typically pertain to negligent design and/or maintenance of the road



The Future



5/6 Floor Wood Frame Buildings



Development and Zoning Challenges



Climate Change



Municipal Insurance Association of British Columbia

390-1050 Homer Street
Vancouver, BC V6G 2A8
604-683-6266
www.miacbc.org