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TOWNSHIP OF LAKE OF BAYS  
 1012 Dwight Beach Rd  
 Dwight, ON P0A 1H0

October 9, 2020

*Via Email*

Honourable Doug Ford  
 Premier of Ontario  
 Legislative Building  
 Queen's Park  
 Toronto, ON 1A1

Dear Honourable Premier Doug Ford:

**RE: Reform to the Municipal Insurance Policy**

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On behalf of the Council of the Corporation of the Township of Lake of Bays, please be advised that Council would like to express their concern and request a reform to the Municipal Insurance Policy.

As outlined in the Association of Municipalities of Ontario (AMO) report entitled, "[Towards a Reasonable Balance: Addressing Growing Municipal Liability and Insurance Costs](#)", dated October 1, 2019, joint and several liability creates a higher insurance cost for municipalities. Local municipalities within Muskoka have experienced a 20% increase in municipal liability for 2019 and are expecting at least 20% increase for 2020.

Throughout the Township of Lake of Bays, the area of concern is the Errors and Omissions for building code claims. There is a much higher value of newly built cottages/seasonal residences within Lake of Bays and it is populated by a commanding number of ratepayers who possess the financial means to sue and will endure the protracted legal process. The Township has a lower than average number of building claims, however a higher than average payout.

Please consider an amendment to Bill 124 to make it a requirement that the building contractor name be disclosed and that the contractor must provide proof of insurance, thus providing greater accountability and responsibility and ensuring that municipalities will not bear the burden alone.

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Kindly review and consider the recommendations as outlined in the above-noted AMO report. Should you have any questions or concerns, please do not hesitate to contact the Municipal Office at 705-635-2272.

Sincerely,



Carrie Sykes, *Dipl. M.A., CMO, AOMC,*  
Director of Corporate Services/Clerk.

CS/cw

Copy to: MP, Scott Aitchison  
MPP, Norm Miller  
Association of Municipalities of Ontario  
Municipalities in Ontario