



## Northern Communities Insurance Program (NCIP)

NCIP is a comprehensive insurance plan for all incorporated communities who are members of the NWT Association of Communities. The plan has been in existence since 1978, and was eventually expanded into a self-insured reciprocal exchange called NORCIX in 2003. The members then essentially became owners of the self-insured portion of the program. In 2006, the Board rolled rates back to 2001 levels and since 2003, the self-insurance program has saved communities well over \$25 million in premiums, and has added additional coverages and services not found elsewhere. A brief summary of those additional services and benefits is provided in this document.

**Loss Prevention Incentive Programs:** \$5.5 million has been made available to communities since 2010 for good claims experience and inspections of community buildings. Since 2010, we have expanded our loss prevention pro-gram to include the Building Inspection Program, Heater Inspection Program, and Bylaw Implementation Incentive Program. Each program outlines different requirements in order to access funds, and most provide significant funds annually for completing simple but important inspections on community owned assets. These are significant dollars that communities can use for loss prevention activities. Contact our office to find out what funds are available for your community, and see the back page of this document for more information.

**Appraisal Program:** A community government property appraisal program funded by NCIP has been in place since 1992. All buildings, contents, mobile equipment and emergency vehicles are appraised and updated each year, with a site visit performed every five years. The appraisal also includes a funding report, which provides the time frames and costs for the replacement of major building components stretching 25 years into the future. This is a very valuable tool for budgeting and planning of building maintenance and asset management of your property.

**Asset Management:** Working in conjunction with the Department of Municipal and Community Affairs, NCIP has developed inspection forms, as well as a number of maintenance videos to assist communities on their asset management journey. These can be accessed through our Asset Management Toolkit at [www.toolkitnwtac.com](http://www.toolkitnwtac.com).

**Legal Support Services:** Phone-in legal advice service, as well as 3 hours of annual paid legal work is available for each community through Brownlee LLP's Municipal hotline: 1-800-661-9069.





# INSURANCE POLICY

## Additional NCIP Services

**Risk Management, Legal Review and Research:** NCIP regularly covers research costs on subjects such as procurement, contracting, request for proposals, bylaws, policies, and procedures that can affect communities in the way they do business. The NWTAC has an online resource library of by-laws, policies and procedures which we continually develop and add to annually. These can be found at [www.toolkitnwtac.com](http://www.toolkitnwtac.com).

**Contract Review:** NCIP will assist communities in the review of contracts for risk management purposes and on an ongoing basis, and pay for the development of a variety of contracts, policies, procedures, and by-laws that will assist communities in delivering local services. You can reach Shirley at [shirley@nwtac.com](mailto:shirley@nwtac.com)

**Posters and Advertising:** Anti-vandalism posters distributed to all communities to increase awareness of the damage of vandalism, and reduce senseless acts. Advertising has been placed to remind the public to be careful of potholes, which has proven to be a defense against legal action in some jurisdictions.

**Municipal Grant Inventory Service:** Members now have access to the Municipal Grant Inventory Service (MGIS) through the Public Sector Digest. MGIS provides comprehensive information on all available grant opportunities for northern communities, and offers solutions on how to acquire additional funding. Please provide us with your contact information if you'd like to be added to the email subscription.

**Legislation and Standards:** NCIP and the NWTAC regularly participate in the review, amendment and updating of NWT legislation and regulations that have an impact on community governments, including assisting the Canadian Standards Association in the development of various new standards for the North.

## EMPLOYEE BONDING



Employee bonding is automatically provided for all of your staff as soon as they become an employee. However, there is a warranty within the bond that voids the coverage for any employees who have committed fraud or a dishonest act during their employment with you, or prior to their employment with you. The coverage stops as soon as you, the employer becomes aware of any infidelity, past or present.

This clause is key to your employees being bonded. Bonding companies rely heavily on their client, the community, to perform proper background checks on the people they hire. This clause acts as protection for the insurer, because they would not normally bond an employee who has committed fraud or a dishonest act. The same is true for employees who have had their bonding cancelled by a previous insurer and never had it reinstated.

# Summary of Insurance Coverage

## Property Insurance:

**\$152,000,000**

**Covering:** Buildings, Contents, Tenants Improvements,  
Mobile Equipment Fire Trucks & Ambulances.  
\$5,000 deductible except flood and earthquake.

## Liability Insurance:

**\$45,000,000**

**Covering:** Bodily Injury and Property Damage to others  
Administrative Errors and Omissions  
Wrongful Dismissal, Employee Benefits Liability

## Boilers and Machinery:

**Covering:** Direct Damage **\$150,000,000**  
Extra Expense and Business Interruption **\$ 350,000**  
Food Spoilage **\$ 15,000**

## Employee Dishonesty and Theft of Money:

**\$1,000,000**

**Covering:** All employees of the community government, plus  
money and securities on the premises, or on the way  
to the bank, or at the bank for theft, disappearance  
destruction, robbery or safe burglary.

## Environmental Impairment Liability:

**\$1,000,000**

**Covering:** Pollution clean-up and associated costs on insured  
property and premises.  
**\*\* Coverage is only available to Communities who  
submit their application and secure confirmation of  
coverage\*\***

## Cyber Liability:

**\$1,000,000**

**Covering:** Privacy and data breaches, business interruption,  
identity theft. Access to network of forensic experts,  
legal experts and public relation services following a  
cyber loss.  
**\*\* Coverage is only available to Communities who  
submit their application and secure confirmation of  
coverage\*\***

## Automobile

**Covering:** Automobile Liability: **\$45,000,000**  
Accident Benefits: **Per Policy**  
Automobile Physical Damage:  

- Private Passenger, ATV's **\$1,000 Deductible**
- Light Commercial (up to 10,000 lbs) **\$1,000 Deductible**
- Heavy Commercial (over 10,000 lbs) **\$2,000 Deductible**
- Antique Vehicles **\$1,000 Deductible**

## Garage Automobile

**Covering:** Third Party Liability for driving customers vehicles **\$ 45,000,000**  
Collision Damage to Customers **\$ 50,000**  
Comprehensive Damage to Customers **\$ 250,000**

## Aviation Liability

**Covering** Liability for operation of vehicles on the tarmac **\$20,000,000**  
Liability for "Non-Owned" Aircraft **\$20,000,000**

## Accidental Death and Dismemberment

**Covering:** Accidental Death and Dismemberment for  
mayors & councillors on a 24-hour basis.  
firefighters, by-law officers and ambulance personnel  
while on duty or training under age 70. **Various Limits**  
Limits will vary by  
community. Check  
the certificate for  
your community



## Wrongful Dismissal

The community government's general liability insurance provides coverage for wrongful dismissal of employees. However, the coverage is contingent upon the community taking the following steps prior to dismissal. This is a policy warranty, and coverage will not apply unless this is done.

1. The community must receive, in writing, an opinion from an independent legal counsel who specializes in employment law which sets out how the change or changes should be carried out by the community; and
2. The community implements the approved change(s) in employment conditions in the manner prescribed by the independent legal counsel;

This will also apply to all employment contracts and any fixed-term contracts in excess of five (5) years, or series of consecutive employment fixed-term contracts totally in excess of five (5) years.

## Loss Prevention Incentive Program Building & Heater Inspections

Because buildings and heating units that are well-maintained are less likely to sustain a loss, communities that are part of NORCIX have access to our Loss Prevention Incentive Programs. Simply by performing inspections on community buildings and heating units annually, your community can receive extra cash!

In order to access the funds under the Building Inspection program, communities are required to complete building inspections on the property they own and that are insured with the Northern Communities Insurance Program. Funds are available under the Heater Inspection Program for annual inspections of all heating units completed by a certified professional. Most communities have taken the Loss Prevention Workshop, which we deliver in each community; however, communities may still receive their inspection money by simply completing the inspections. Inspection forms for both programs are available from the NCIP office in Yellowknife. Please email [insurance@nwtac.com](mailto:insurance@nwtac.com)



**Contact Us!**

Tel: (867) 873-8359

### Your NCIP Team

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