



# Community Based Events and Risk Management

April 10th, 2024

# AMM GENERAL INSURANCE PROGRAM

## Community Based Events and Risk Management

### Overview:

Liability, Negligence and How Coverage Responds

Risk Management Best Practices for Common Community Event Exposures

# Introduction:

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Western Financial Group



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# Liability, Negligence and How Coverage Responds

**What is Liability and Negligence?**

**How are We Protected?**

**Kristin Keating CAIB**  
Program Manager, Municipalities

***\*\* The Following Slides are for Discussion purposes only.  
Please refer to your policy wordings for a full explanation of exclusions, conditions and coverages***

## Legal Liability Basis:

Obligation to exercise “reasonable care” with respect to the interests of others, including protection from harm

### Duty of Care

Level of service, attention, care or protection that one person owes to another according to the law

### Standard of Care

Liability that an organization takes on for the actions of those who function on its behalf.

### Vicarious Liability

If any party to a legal action be unable to pay for the damages, the onus to pay can fall entirely onto any one of the other parties to the action.

### Joint and Several Liability

## Liability Negligence:

- Doing something other than what a “reasonable” person would do (or not do), which results in bodily injury or property damage
- Being found negligent leads to being legally obligated to pay for the damages caused

### Vicarious Liability

- Could be held liable for actions of Employees and Volunteers

### Joint and Several Liability

- **Could be held liable** for actions of parties using their facilities
- **Could be held liable** for the actions of parties added as additional insureds



Posting warnings on icy areas,  
during early spring months  
(thawing and freezing)



Ensuring areas frequented by  
staff, volunteers or the public are  
kept clear of obstructions



Maintaining salting and  
sanding practices, including  
logs



Ensuring any facility renters provide  
proof of liability insurance, especially  
for any events involving the service  
of alcohol

## Coverage Intentions and Exclusions

Liability coverage is only intended to apply to entities named on a Certificate of Insurance

Volunteers and Employees are generally included as Insureds, within Liability coverage wordings

Liability coverage is not accident coverage. A visitor that is injured would have to prove that the injury resulted from negligence on the part of the facility



## Liability Coverage Limitations:



### **Outside Groups & Committees**

Coverage is NOT Automatic



### **Community Based Service Groups**

Coverage is NOT Automatic

## Liability Coverage Limitations:

**Talk to your Broker**

These entities may be  
eligible to have  
coverage extended

## How Coverage Might Apply:

An event attendant slips and falls on the grounds, breaks their leg and demands compensation

- If the host/Municipality was unaware of the hazard, there is defense under Liability Insurance
- If host/Municipality had been aware, from a previous complaint by a visitor or inspection, they are negligent
- Liability Coverage will respond either way. Entitled to a defense in the first case and payment of Third Party's claim in the second

## How Coverage Might Apply:

A visitor suffers an injury, while partaking in an activity, offered by a third-party vendor. The Municipality is named in a legal suit for damages

- The Municipality's liability insurer has a duty to defend against a legal liability claim, however the onus of proof rests with the Plaintiff.
- It is imperative that third-party vendors provide proof of their own liability coverage, and add the host/Municipality as additional insured. This aids in insulating against liability claims that may name the Municipality

## How Coverage Might Apply:

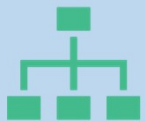
Huge windstorm leads to a tree on the property of the Municipality to fall onto vehicles parked in a parking lot on the premises

- If the Municipality was negligent (ex. did not remove the tree, knowing it was dead), compensation will likely be negotiated with the Third Parties. All trees on the owned land are the responsibility of the Municipality.

# Liability Insurance - Errors & Omissions / Directors & Officers:




Boards and Committees must have governing policies in place, to ensure actions taken are in keeping with the entity's general mandate and mission statement



Like Corporate Boards, these Boards and Committees are ultimately responsible for all actions of the entity they control, and as a result, the members of these boards have a large personal liability exposure



Municipal Boards and Committees have the same exposure as corporate boards but can also have the added exposure of being a community centred operation



Liability  
Coverage Losses:  
Timing Matters!

**Some coverages are on Claim Made Policies**

Claim must be made:

- At the time a loss is first discovered
- A Letter of demand is received from injured party
- A legal Statement of Claim is received

**Best to report any questionable occurrence right away**

Claims Examiners and Legal Team are available to review any potential liability claims, and provide guidance

Risk Management:

**Risk Management Best Practices  
for  
Common Community Event Exposures**

**Rudy Penner CRM**  
Director, Risk Management

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## Common Community Events:

- Fireworks
- Beer Gardens
- Inflatables
- Third Party Vendors
- Parades
- Musical Concert Fundraisers
- Fishing Derby's
- Turkey Shoots/Archery
- ATV Trail Ride
- Hay Rides

# Fireworks

- General

- Erect barriers to keep crowds at least 150 feet away from fireworks detonation area
- Keep firework displays at least 500 feet from any buildings
- Do not hold fireworks display if wind speed is in excess of 10 mph
- Check wind drift direction and keep crowd away from downwind side
- Have fire trucks / ambulances on hand or at least on alert
- Have first aid attendants on duty at the display site



# Fireworks

- Municipal run fireworks

- Should be run by the fire department
- Firefighters must have taken the fireworks display course
- Display supervisor must hold a valid Class 1 or better license required to purchase and display professional fireworks shows
- Municipality must advise Western Financial Group about the fireworks display and applied to add liability coverage for display



# Fireworks

- Professionally run fireworks displays
  - Becoming more prevalent due to fireworks costs and regulations governing their use become more stringent
  - Hire a reputable fireworks supplier to handle the display ensuring:
    - Supplier has a minimum \$2 M liability coverage for fireworks displays
    - The Town or Municipality is named as an additional insured with respect to liability
    - Obtain a copy of the supplier's Certificate of Insurance



# Beer Gardens

- Should be a separate enclosed area
- All staff/volunteers must be 18 years of age or older
- Staff/volunteers at entrance to check ID's
  - All entrances and exits to the event are to be supervised at all times
- No minors allowed
- Ensure Liquor, Gaming and Cannabis Authority of Manitoba regulations are followed
  - Smart Choices certification for servers

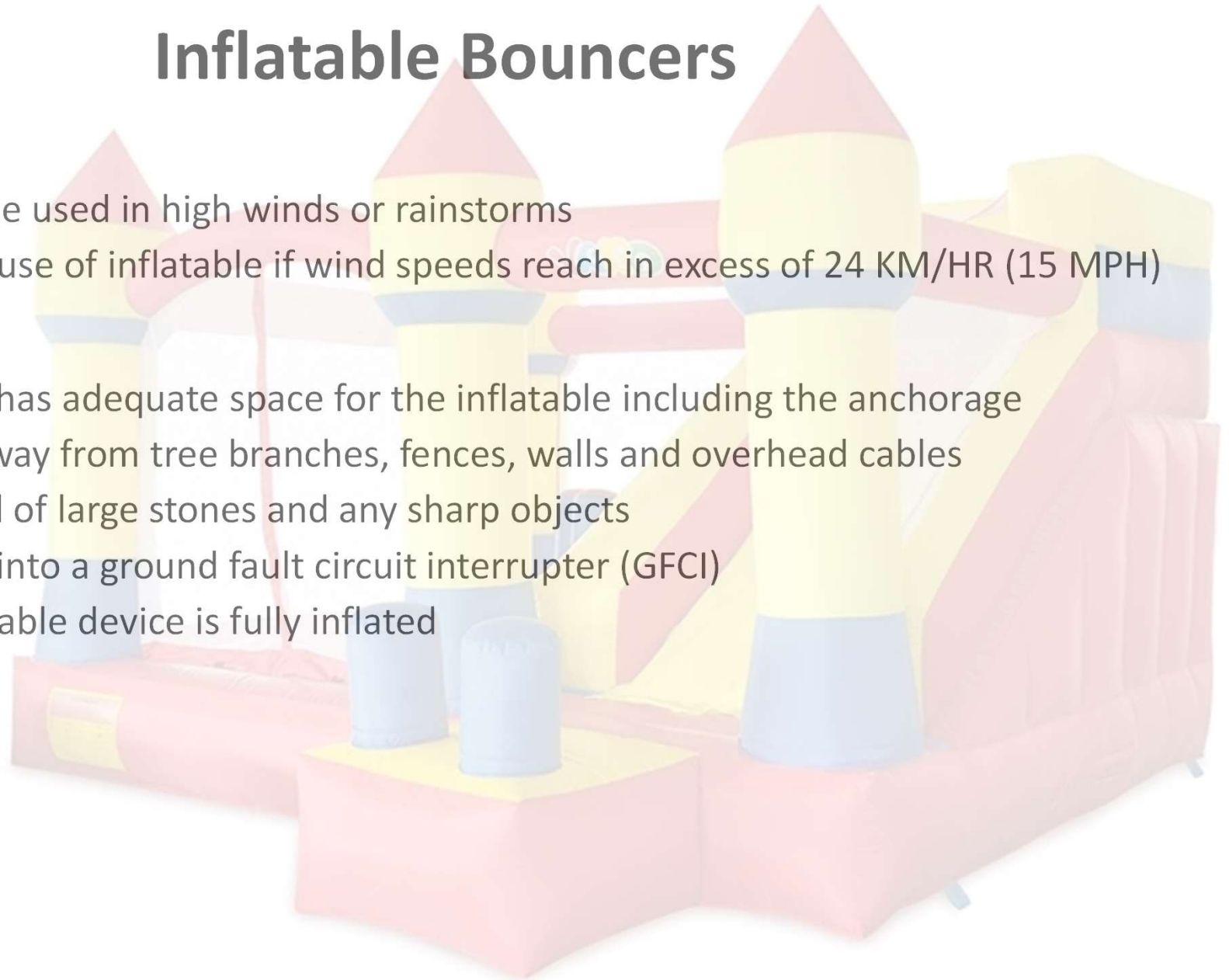
# Inflatable Bouncers

- Weather

- Should not be used in high winds or rainstorms
- Discontinue use of inflatable if wind speeds reach in excess of 24 KM/HR (15 MPH)

- Set-up

- Ensure area has adequate space for the inflatable including the anchorage
- Should be away from tree branches, fences, walls and overhead cables
- Clear ground of large stones and any sharp objects
- Plug blower into a ground fault circuit interrupter (GFCI)
- Ensure inflatable device is fully inflated



# Inflatable Bouncers

- Operation

- Have adult supervision of children in the inflatables
- Ensure staff/volunteers have proper training to operate and set-up inflatables
- Do not exceed manufacturer's specifications for capacity
- Only children of approximately the same size should be permitted on the inflatable at the same time
- No food, drink or sharp objects should be allowed on the inflatable
- Shoes, loose fitting clothing, jewelry and other personal items should be removed prior to using inflatable
- Inflatable should be securely anchored to the tether points in accordance with manufacturer's guidelines
- If inflatable unit deflates, occupants must be removed immediately



## Parades

Route must be provided to Western Financial Group  
Appropriate signage and barriers must be in place



## Third Party Vendors

Ensure proof of third party liability coverage is being confirmed  
(ex. Petting Zoo)



## Musical Concert Fundraisers

Third parties must obtain their own liability or property coverage



## Fishing Derby's

If minors allowed must be accompanied by parent or guardian  
All participants should have lifejackets





## Turkey Shoots/Archery

Informed consent forms to be used for all minors

Adult supervision

Proper safety barriers in place

EMT/Fist Aid present



## ATV Trail Rides

Owners of vehicles must confirm their own liability coverage is in place

Sign waiver and hold harmless at registration



## Hay Rides

Informed Consent form to be used for all minors

Waiver form for all adults

Adult supervision at all times

If using public roadways

- Sitting in enclosed wagon
- Slower speeds during the ride
- Hazard light of towing vehicle must be turned on at all times during the ride

# Risk Management Survey

- Physical assessment completed on inside, outside and storage areas
- Use a custom inspection form that has been developed over the years to answer all the pertinent risk questions related to the operations
- The inspection form covers:
  - Property
  - Liability
  - Crime

# Property

- Overall condition
- Roof condition
- Walls and openings
- Heating
- Electrical
- Plumbing

# Liability

- Overall condition
- Floors
- Walkways
- Parking Lots
- Snow & Ice Removal
- Trip & Fall Hazards
- Documentation / Log Books

# Crime

- Theft attractiveness
- Alarm system
- Who all has access to buildings
- Volunteer base/groups?

# Property protection

- Fire extinguishers
- Sprinkler systems
- Water sensors
- Low temperature sensors
- Fire detection systems
  - Smoke detectors
  - Fire alarm panels
  - Heat detectors

# Risk Reduction Strategies

- Risk Improvements made during a site inspection are discussed with the contact person at the time of the inspection and with the CAO
- Risk Improvements are ranked as Critical, Important or Desirable based on the severity of the potential risk.
- Critical Risk Improvements would be something that presents an imminent problem (such as operating a kitchen without a UL300/ULC1256 compliant wet chemical suppression system) and needs to be corrected immediately. Fortunately, we have had very few of these.
- Important Risk Improvements represent a potential for a loss and need to be completed within 30 days and staff follow up with CAO's frequently until completed.
- Desirable Risk Improvements may not be required under code (such as a fire detection system in some buildings or enhanced security systems) but would be a desirable addition to improve safety and security of the municipalities building or operation. These are presented to assist with the understanding of the risk.

## Tips and Tricks:

- Ensure all fire exits are unobstructed and clearly marked
- Have all fire extinguishers on a service contract
- If you have a sprinkler system, ensure this is inspected regularly
- Any locations with kitchen facilities, with exhaust hood, or automatic wet chemical suppression system must be inspected regularly
- General preventative maintenance standards upheld and enforced
- Professional Conduct / Abuse / Harassment Policies
- Formal Inspections of Buildings and Grounds
- Building Maintenance Completed Regularly
- Seasonal Building Close up / Winterizing
- Incident Documentation – anything involving the public
- **Documentation! Documentation! Documentation!**



# Examples of Risk Improvement Recommendations

2023-01 Important / Importante

Properly seal off former exhaust fan duct to prevent water penetration

2023-02 Important / Importante

Properly secure firearms with Grade 70 chain or ensure they are not operational.

2023-03 Important / Importante

Ensure downspouts drain water away from building.

2023-04 Desirable Improvement / Suggestive

Consider installing a monitored fire detection system.

2023-05 Important / Importante

Please confirm status of buried wire from Store for winter light display. Appears to be Loomex wire trenched for winter light display and not teck cable. Some questionable wiring in Store should be inspected by a qualified electrician and a report issued.

# Examples of Risk Improvement Recommendations – Cont'd

2022-01 Important / Importante

The fire detection system should be inspected and serviced annually by a qualified contractor.

2022-02 Important / Importante

Shingles in need of replacement.

2022-03 Important / Importante

No ventilation in furnace room located in the basement, leading to mould on north wall. Qualified contractor should inspect and correct.

2002-04 Important / Importante

Old furnace oil tank should be decommissioned and removed.

2022-05 Desirable Improvement / Suggestive

Install non-combustible material (metal) on wall behind cooking appliances if they will be used regularly. Remove piece of paper from wall behind stove.

# THANK YOU!

## Questions?

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