



MEMORANDUM
Comfort Lake-Forest Lake Watershed District

Date: May 5, 2026
To: CLFLWD Board of Managers
From: Mike Kinney, District Administrator
Subject: Insurance Liability Coverage Waiver



District Wide

Background/Discussion:

The League of Minnesota Cities Insurance Trust (LMCIT) annually requests each government entity to make a selection regarding the question as to waive or not to waive its limits of liability. Under guidance from legal counsel, it has been customary for the Board of Managers to elect “The member DOES NOT WAIVE the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.” and does so recommend the selection of this option again this year.

Recommended Motion:

Proposed Motion: Manager _____ moves to elect “The member DOES NOT WAIVE the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.” option provided on the LMCIT Section 1: Liability Coverage Waiver form. Seconded by Manager _____.

Attached:

Liability Coverage Waiver Form



LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. [Email completed form to your city's underwriter](mailto:pstech@lmc.org), to pstech@lmc.org, or fax to 651.281.1298.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. *The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.* The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

Check one:

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).
- The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

LMCIT Member Name:

Date of member's governing body meeting:

Name of person completing this form:

Position of person completing this form:

Signature of person completing this form: