Wildfire from an Insurance Perspective

Resorts Training Q&A – August 26, 2026

Resort Training Q&A Agenda

- Claims examples
- Relevant Insurance Coverages
- Business Interruption Coverage – In depth
- Disaster Recovery: Preparing for Recovery After a Loss
- Emergency Preparedness: Do you have a plan for Disaster?

Loss Details

- Fire is the largest property exposure for Resorts
- It typically makes up close to ¾ of all resort property losses
- Of those fire claims, 53% of the insurance payment is for business interruption

Wildfire Claims Examples from 2025

BrokerLink has been in the resorts space for a long time, below are a few real life examples of claims we have seen as a result of Wildfire:

- $700,000 - business interruption no fire damage but the resort was closed due to a nearby forest fire
- $388,412 – Total fire loss to buildings and business interruption due to civil authority
- $507,207 – total fire loss to buildings and business interruption due to civil authority
- $825,000 total fire loss to buildings and business interruption due to civil authority
- In 2025, there were 35 other claims that were just Business Interruption due to Civil Authority Evacuation.
- In 2026, we had upwards of 12 claims that arose from the Thunder Bay Region fires, 6 with property damage and the others were evacuation related.

Civil Authority Claims Examples

- **Claims Example 1**
- Lodge experienced an evacuation time of almost 5 weeks - Aug to Sept
- They had several outposts that were affected and their BI claim totaled approx. $352,000

- **Claims Example 2**
- There were also at least 4 resorts last summer that had evacuations lasting longer than 4 weeks payouts ranging from $19,500 to $144,000

Relevant Insurance coverages

- Building and content limits include poles and electrical, septic systems, fuel tanks
- Equipment, boats and motors limits
- Supplementary coverages ie. Outdoor property and signs, Catch All , debris removal, walkways, extra expense, inflation protection, forest fire evacuation expense, Additional Living expense
- Forest Fire Fighting Extension – Should you be held responsible for starting a fire
- Business Interruption which includes denial of access by civil authority – Varies by policy from 2 weeks – 60 days

Rebuilding Costs – The Standard Program

	ROAD ACCESS	REMOTE	LOG**
	R/C	R/C	R/C
LODGE	320	400	510
CABINS	195	230	410
SERVICE BUILDINGS	110		

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Business Interruption

Business Interruption coverage is an important coverage especially due to the short season for most lodges.

- Triggered by physical by an insured peril to INSURED property
- Indemnity Varies by policy. Typically is one year but could be two.
- Limits vary from policy to policy – Actual loss sustained vs Profits with a limit

Business Interruption – Civil Authority

Denial of Access by Civil Authority

- Length of time Varies by policy – from 2 weeks to 60 days
- Some policies coverage limits for this, some unlimited
- Is triggered by a mandatory evacuation order due to a physical damage loss at a neighboring property

Disaster Recovery: Preparing for Recovery After a Loss

1. Key Question is:

If a major loss happened tomorrow, would you know what you want to rebuild, how you would rebuild it, what it would cost, and how long it would take?

2. Planning for the Rebuild

Do you want to rebuild after a loss?

How do you want to rebuild?

Can you rebuild yourself, or will you need to hire contractors and other professionals?

How will materials be transported to the property? How will debris be removed?

How long will it realistically take to rebuild?

Disaster Recovery: Preparing for Recovery After a Loss

3. Determining What You Want to Insure

Do you want to insure **contents, equipment, boats, motors, and other property** ?

What would it cost?

How easy would it be to replace items?

How much of a loss are you comfortable retaining yourself? Ie. Deductible?

4. Rebuilding to Reduce Future Damage

Consider whether rebuilding could incorporate materials, construction methods, or improvements designed to **prevent or reduce future damage**, such as:

Using fire-resistant building materials

Removing lower tree branches

Keeping combustible materials away from buildings.

Removing dead or damaged vegetation.

Considering **fire pumps, sprinkler systems, or other fire-protection systems**

Emergency Preparedness: Do you have a plan for Disaster?

Before a Disaster Happens

Have you identified which parts of your business need to be operational as soon as possible following a disaster?

Do your employees and guests know what to do if a disaster occurs and they need to protect themselves until help arrives?

Have you identified who is responsible for making decisions during an emergency?

Communication

How will you communicate with your employees during and after a disaster?

What is your plan if the disaster occurs during operating season or during the off months?

Do you have access to current contact information for employees, key suppliers, contractors, emergency services, and other important contacts?

What will you do if your normal communication systems—phone, internet, or power—are unavailable?

Emergency Preparedness: Do you have a plan for Disaster?

Keeping the Business Operating

Are your vital records protected from potential damage or loss caused by a disaster?

Are you prepared to remain operational if your guests are not able to come??

What is your contingency plan if water, sewer, electricity, internet, transportation, suppliers or other essential services are unavailable?

Insurance & Recovery

Have you consulted with your insurance professional to determine whether your current insurance coverage is adequate to help you get back in business following a disaster?

Have you reviewed your Business Interruption and Extra Expense coverage?

Do your coverage limits reflect the time and cost you realistically expect to need to restore operations?

Have you considered the financial impact of a disaster that prevents you from operating for weeks or months?

Key Takeaway

Insurance helps you recover financially—but a business continuity plan helps you recover operationally. The goal is to identify the risks before a disaster occurs, decide what needs to happen first, and have a plan for keeping people safe and getting the business running again