

# Art Elias

## HED Insurance and Risk Services

You have no doubt seen him at an AMM event. You have likely even heard his captivating presentations on your municipal insurance program. But how does a young man from southern Manitoba become the broker for a municipal insurance program and head of one of Manitoba's premier corporations? The *Municipal Leader* spent some time with Art Elias and found out that sometimes what is most interesting isn't where you are, but how you got there.



**B**orn in Winkler Manitoba, Art spent his earliest years in the small village of Haskett (which has since disappeared), followed by time in Roland and Morris. At the age of 17, Art made the move to Winnipeg in a quest for gainful employment. But the decision to get involved in insurance was as much a twist of fate as any predetermined plan.

It turns out insurance wasn't the first career option for Art – he originally applied at CN Rail for a job as a “car-man.” To this day Art contends that the only reason he didn't get the job is that he had forgotten his phone number since he had only just moved. To think, Art could have been a career long CN employee had he remembered his phone number!

Art then applied to an insurance brokerage owned by James Richardson and Sons where he landed the job of office boy in January 1964. Within months he was learning about homeowners and auto insurance. Art then moved to another Richardson company that did association insurance, which had become of interest to Art.

In 1975, Art moved to AON Reed Stenhouse, where he was charged with developing his own “book of business” through sales. At the same time, Art had a friend on the council of his old stomping grounds of Morris, so he gave him a call to ask about the Town's insurance. This inquiry led Art to a meeting with the Union of Manitoba Municipalities (UMM) at their office on the 2<sup>nd</sup> floor of the old Portage Hotel in Portage La Prairie to discuss an insurance program for municipal corporations. The idea percolated, and a survey was done to find out the insurance needs at the time. Art reported the survey findings to the UMM membership at UMM's June District Meetings the following year. Little did Art know this would be the start of a regular June tradition.

Shortly following these meetings Manitoba municipal history was made, as Art sold his first account on July 7, 1975 to the RM of Bifrost. In true Manitoba fashion, the deal was struck at Reeve Siggie Wopford's kitchen table.

As the municipal program started to grow, a similar program was created for Manitoba public school divisions and, by 1979, both programs were becoming well established and successful. When the opportunity came along to acquire a small insurance brokerage together with a couple of former colleagues they jumped, and within a year both the UMM and the schools programs joined the new firm. Three years later the firm merged with another small brokerage to form Hayhurst Elias Dudek (HED) Inc.

Today, HED has the distinction of being one of the province's 50 fastest growing companies, according to *Manitoba Business Magazine*, and this year received an Excellence in Leadership bronze award from the Human Resource Management Association of Manitoba. HED has been recognized as one of Manitoba's top 10 employers by *Maclean's* magazine and has 226 employees, including those at the wholly-owned, federal insurer-licensed subsidiary SecuriCan General Insurance Company, which underwrites the HED pet health insurance program.

When asked to highlight some of the biggest challenges he has faced in municipal insurance, a couple came to Art's mind. The first was when UMM's insurer Northland General Insurance Company went bankrupt in June 1985. Art had to make sure that municipalities didn't lose their premiums while also making sure claims got paid. Art managed to replace the insurer in time, leaving municipalities properly insured for the year, and making sure not a single municipality lost a nickel. As is often the

case, rising out of this challenge came a new opportunity for municipalities, as this marked the start of the AMM's self-insurance structure, with the first policy term of this new agreement having a self-insurance funded deductible, or Loss Pool, of \$10,000 per claim, \$150,000 for the year.

Art was also quick to admit that his biggest challenge might be yet to come – the April 1, 2008 renewal. 2007 has been a tough year for municipalities, with the hail-storm in Dauphin, along with a number of community facilities falling victim to fire. There have been a large number of claims under the program this year, and high dollar amounts attached to these claims.

A final question posed to Art was: Why does the majority owner, president and chief executive officer of an award-winning company, which boasts headquarters in Winnipeg and offices in Laval, Québec, make a point of coming to AMM events? On the agenda at June District meetings every year and a fixture at other AMM events like Convention, Art spends a lot of his time out of the office meeting with the AMM membership. It would seem logical that an avid golfer and grandfather of six could find another way to spend his time.

Art's response to this question is most telling about his true character – he likes the people. Art understands that while the insurance program makes sense to him, not everyone is as comfortable with it, and this can sometimes prevent people from knowing what they need to about their program. Face to face, Art gets the chance to explain the program and he gets to hear the thoughts of the membership. Or as Art put it, “The beauty is, that when they do speak, you better shut up and listen, because odds are they've got something important to say, from which if you let yourself, you'll likely be able to learn something.”