

Municipal General Insurance Programs Report

Copies will be posted on the
Association of Manitoba Municipalities and
Western Financial Group Insurance Solutions websites:

www.amm.mb.ca

www.westernfgis.ca/amm

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Property & Casualty Program Structure

- “Protected self-insurance”, with annual AMM-held loss pool that pays 1st portion of claims
- Excess insurance provided by commercial insurers for complete protection
- Un-used loss pool funds belong to municipalities
- Ongoing review and enhancement of coverages

- “Guaranteed replacement cost” protection for buildings, also for mobile machinery and equipment up to 10 years old
- \$35,000,000 liability protection
- ** Environmental Impairment liability increased from \$2,000,000 to \$5,000,000
- Crime, boiler and accident coverage

April 1, 2015 Property/Casualty Renewal

- Claims in 14-15 policy year were \$5,913,723 (as of May 31, 2015)
- Total insured values for 2015 Renewal - \$4.51 Billion up from \$4.27 Billion in 2014
- 6 insurers share the program property risks on renewal

- 4.0% increase in total cost to municipalities – \$12,256,000 as at April 2014 up to \$12,796,000 on renewal April 1, 2015
- ***Self-Insurance loss pool \$6,100,000***
- Excess insurance cost \$6,696,000, up from \$6,155,000 (which includes the Environmental Impairment Liability increase to \$5,000,000)

Amalgamated Municipalities

- Number of municipalities down from 196 to 137
- Most amalgamated municipalities saw premium reductions, some of up to 10% (3 into 1) due to the rating method for both the Liability and Council AD&D coverages (which are based per municipality)

Accidental Death & Dismemberment

- This is the accident cover for Councillors, Volunteer Firefighters/Ambulance Attendants and Other Volunteers
- Benefits have been improved to match those offered in marketplace
- The maximum age of persons covered has been increased from 65 to 80
- Availability for Councillors and Firefighters for 24/7 cover and family cover
- Details on improvements to coverages will be sent to municipalities later this month

April 1, 2015 Property/Casualty Renewal

Program Claims Experience

Apr 1/09-10	\$ 7,115,176
Apr 1/10-11	\$ 3,453,187
Apr 1/11-12	\$ 6,077,685
Apr 1/12-13	\$ 4,934,583
Apr 1/13-14	\$ 7,668,740
Apr 1/14-15	\$ 5,913,723

April 1, 2015 Property/Casualty Renewal

	April 1, 2013 Renewal	April 1, 2014 Renewal	April 1, 2015 Renewal	April 2015 Increase from 2013
Total Estimated Values Insured	\$3,988,644,000	\$4,274,577,000	\$4,517,591,000	13.3%
Self-Insurance Funding	\$6,100,000	\$6,100,000	\$6,100,000	0%
Excess Insurance Cost, incl. AMM	\$5,624,416	\$6,155,873	\$6,696,424	19.1%
Total Annualized Cost to Municipalities	\$11,724,416	\$12,255,873	\$12,796,454	9.1%
Average Rate Per \$100	29.4	28.9	28.3	

April 1, 2015 Property/Casualty Renewal

- The program surplus has grown from \$306,000 March 31, 2008 to \$2,388,841 May 31, 2015, surplus is owned by municipalities; program is stable
- \$2,000,000 is retained for “incurred-but-not-reported” claims
- ***\$7,792,090 has been returned since 2004***

Risk Management

- Continue to complete risk reviews of municipal buildings and recreational facilities (280 buildings reviewed in past year)
- Assist municipalities with questions about property claims and liability issues
- Assist AMM with Risk Management concerns related to safety plans and COR Certification for municipalities

Risk Management

- Prepare Loss Prevention bulletins and articles for Municipal Leader magazine
- Present Risk Management and Loss Prevention seminars at MOS
- Provide ongoing training courses for municipal Playground inspectors

Health and Dental

- Self-insured since Jan/05, with claim payment services by Manitoba Blue Cross
- Accumulated surplus owned by municipalities \$1,117,186 as at April 30, 2015
- Average annual premium increase 2.8% in last 5 years, much lower than other group benefit plans

Health and Dental

- 116 municipalities participate, plus 284 others like conservation districts, recreation, planning districts, weed districts, and retirees
- 1,878 employees/Councillors insured, 4,869 including dependents
- Total premiums now \$4,743,000 annual.

Questions?