

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

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

April 1, 2014 Property/Casualty Renewal

- Claims in 13-14 policy year were \$7,297,853 (as of May 31, 2014)
- Total insured values for 2014 Renewal - \$4.27 Billion up from \$4.11 Billion in 2013
- 6 insurers share the program property risks on renewal

- 4.0% increase in total cost to municipalities – \$11,893,000 as at April 2013 up to \$12,256,000 on renewal April 1, 2014
- ***Self-Insurance loss pool \$6,100,000***
- Excess insurance cost \$6,155,000, up from \$5,793,000

April 1, 2014 Property/Casualty Renewal

Program Claims Experience

Apr 1/08-09	\$	3,026,823
Apr 1/09-10	\$	6,997,093
Apr 1/10-11	\$	3,493,436
Apr 1/11-12	\$	5,964,996
Apr 1/12- 13	\$	5,105,517
Apr 1/13-14	\$	7,297,853

April 1, 2014 Property/Casualty Renewal

	April 1, 2012 Renewal	April 1, 2013 Renewal	April 1, 2014 Renewal	April 2014 Increase from 2012
Total Estimated Values Insured	\$3,762,119,000	\$3,988,644,000	\$4,274,557,000	13.6%
Self-Insurance Funding	\$6,100,000	\$6,100,000	\$6,100,000	0%
Excess Insurance Cost, incl. AMM	\$5,173,575	\$5,624,416	\$6,155,873	18.9%
Total Annualized Cost to Municipalities	\$11,273,575	\$11,724,416	\$12,255,873	8.7%
Average Rate Per \$100	30.0	29.4	28.9	

April 1, 2014 Property/Casualty Renewal

- The program surplus has grown from \$306,000 March 31, 2008 to \$2,290,503 May 31, 2014, 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***

Municipal Hazard Survey

- Comprehensive survey to allow us to update the exposures faced by Municipalities, Towns and Conservation Districts.
- Beneficial to enhance the stability of the Program.
- Survey will go out in the Fall.

Risk Management

- Continue to complete risk reviews of municipal buildings and recreational facilities (300 buildings reviewed in past year)
- Assist Municipalities with questions about property claims and liability issues

Risk Management

- Prepare Loss Prevention bulletins and articles for Municipal Leader magazine
- Present Risk Management and Loss Prevention seminars at MOS
- Developed Playground safety guide and 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 \$1,048,980 as at March 31, 2014
- Average annual premium increase 2% in last 5 years, much lower than other group benefit plans

Health and Dental

- 150 municipalities participate, plus 221 others like conservation districts, recreation, planning districts, weed districts, and retirees
- 1,863 employees/Councillors insured, 4,718 including dependents
- Total premiums now \$4,758,000 annual.

Questions?