

# 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](http://www.amm.mb.ca) [www.westernfgis.ca/amm](http://www.westernfgis.ca/amm)

## Western Financial Group Insurance Solutions Service Personnel

Phone: 1-800-265-0314

**Grant Ostir** - President Ext. 7228

[grant.ostir@westernfgis.ca](mailto:grant.ostir@westernfgis.ca)

**Drew Woytko** - Property/Casualty Program Ext. 7274

[drew.woytko@westernfgis.ca](mailto:drew.woytko@westernfgis.ca)

**Rudy Penner** - Risk Management Ext. 6163

[rudypenner@westernfgis.ca](mailto:rudypenner@westernfgis.ca)

**Jordan Lontajo** - Health & Dental Program Ext. 6576

[jordan.lontajo@westernfgis.ca](mailto:jordan.lontajo@westernfgis.ca)

## Property & Casualty Program Structure

- “Protected Self-Insurance”, with AMM-held loss pool to pay first portion of claims
- Excess insurance provided by commercial insurers for complete protection
- Surplus loss pool funds belong to municipalities
- Ongoing review and enhancement of coverage
- Guaranteed replacement cost protection for buildings
- Mobile machinery and equipment up to 10 years old insured to replacement cost
- \$50,000,000 liability protection (increased from \$35,000,000)
- Environmental Impairment Liability and Public Entity Management Liability - \$5,000,000
- Crime and Equipment Breakdown coverage

## April 1, 2018 Property/Casualty Renewal

- Total claims in the 2017-18 policy year were \$9,915,887 (as of March 31, 2018)
- Total insured values for 2018 Renewal = \$5.04 Billion, up from \$4.88 Billion in 2017
- Four insurers share the program property risks on renewal
- Cyber liability coverage added
- 5.7% increase in total cost to municipalities – \$13,688,259 on April 2017, \$14,520,296 at renewal April 1, 2018
- ***Self-Insurance loss pool increased by \$500,000 to \$6,600,000 from \$6,100,000***
- Excess insurance cost \$7,986,000, up from \$7,588,000 (which includes the Cyber Liability and property value increases)

# April 1, 2018 Property/Casualty Renewal

## Program Claims Experience – as of April 30, 2018

2013-14 - \$7,453,774

2014-15 - \$5,873,705

2015-16 - \$4,941,436

2016-17 - \$10,652,590

2017-18 - \$12,389,233

## April 1, 2018 Property/Casualty Renewal

	April 1, 2016 Renewal	April 1, 2017 Renewal	April 1, 2018 Renewal	April 2018 Increase from 2017
Total Estimated Values Insured	\$4,681,073,400	\$4,878,125,320	\$5,043,672,818	3.4%
Self Insurance Funding	\$6,100,000	\$6,100,000	\$6,600,000	8.2%
Excess Insurance Cost; Incl. AMM	\$7,116,742	\$7,588,259	\$7,978,272	5.1%
Total Annualized Cost to Municipalities	\$13,216,742	\$13,688,259	\$14,578,272	6.5%
Average Rate Per \$100	28.2	28.1	28.8	

## April 1, 2018 Property/Casualty Renewal

- The program surplus has grown from \$306,000 on March 31, 2008 to \$6,291,594 as of May 31, 2018. The surplus is owned by municipalities; The program is stable.
- \$3,000,000 is retained for “incurred-but-not-reported” claims
- *\$7,792,090 has been returned since 2004*
- Today, we are announcing a **RETURN of \$1,500,000** from the Loss Pool.

## Risk Management Services

- Complete risk management surveys of municipal buildings and recreational facilities (97 buildings surveyed in past year)
- Assist municipalities with questions regarding property claims and liability issues
- Assist AMM with risk management strategies related to safety plans and assist in COR Certification processes
- Prepare loss prevention bulletins and articles for the Municipal Leader
- Present risk management and loss prevention seminars at MOS
- Provide ongoing training for municipal playground inspectors



## Health and Dental

- Self-insured since January 2005, with claim payment services provided by Manitoba Blue Cross
- Average annual premium increase 3.0% in last 5 years, much lower than other group benefit plans
- Total annual premium is now \$6,163,517
- 113 municipalities participate, plus an additional 312 conservation districts, recreation districts, planning districts, weed districts, and retirees
- 1,819 employees/councillors insured; 5,075 total including dependents

# Accidental Death & Dismemberment

- Accident coverage for councillors, volunteer firefighters/ambulance attendants and other volunteers
- Benefits continue to be reviewed to match (or better) those offered in the marketplace
- The maximum age for coverage has been increased from 65 to 80
- Available options for councillors and firefighters for 24/7 coverage and firefighters for family coverage
- Life and Critical Illness coverage options are available for firefighters
- No change in premiums from 2017-2018

## Health and Dental Refund of Premium

- AMM returned **\$500,000** last year to AMM Employee Benefits Program members
- AMM offers members the opportunity to receive a return of premium based on the performance of the program
- The accumulated surplus owned by municipalities was \$1,000,000 as at April 1, 2018

## **NEW** - Course of Construction and Wrap Liability Facility

- \$15 Million capacity for Builders Risk
- \$10 Million limit for Wrap-Up Liability
- Projects funded by Provincial and Federal governments can be automatically covered via funding agencies
- Costs recoverable from funding agencies

Questions ?  
THANK YOU