



Municipal Advisory Corporation Inc.
La Corporation Consultative aux Municipalités Inc.

Board of Directors Meeting
September 27, 2024 @ 8:30 a.m.
W. C. O'Neill Arena – Wellness Centre Boardroom
St. Andrews, NB

Present: Chris Spear, President
Paul Lang, Vice-President
Gilles Legacy, Director
Cheryl Emmerson, Director
Scott Sparks, Treasurer
Suzanne Coulombe, Director
Brenda L. Knight, Secretary

Absent: Claudette MacLean, Director

In Attendance:

Joel Drolet, President, Goguen Champlain Financial Services
Catherine LeBlanc, Goguen Champlain Financial Services
Kevin Lavigne, Goguen Champlain Financial Services
Stephen Strange,

1. Call to Order

President Chris Spear welcomed everyone to the MAC Board Meeting of September 27th and called the meeting to order at 8:37 a.m.

2. Approval of Agenda

It was moved by Suzanne Coulombe and seconded by Paul Lang that the agenda of September 27th be approved as circulated. **Motion Carried**

3. Approval of Minutes – August 1, 2024

It was moved by Paul Lang seconded by Scott Sparks that the minutes of August 1, 2024 be approved as circulated. **Motion Carried**

2. Business Arising from the Minutes

(a) Community Fund – Subcommittee Meeting

There has been no meeting as of yet.



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5. Financial Report

(a) Financial Report to August 31th 2024

It was moved by Scott Sparks seconded by Suzanne Coulombe that the Financial Statements for the month of August 31, 2024 be approved as circulated. **Motion Carried**

6. Correspondence - None

7. New Business

Before going through the renewal Joel advised that two meetings with Finance committee and Assumption Life and from the grid; all the rates that have been proposed for the board today. He noted that LTD still a bit of a challenge – AL looked for a 12% increase in LTD but negotiated – some municipalities have 0 and some have increases on LTD.

- Used end of June 2024 for renewal
- 26 groups with 10 lives or lower out of a total of 59
- Overall Renewal: (all benefits): 7.22% overall changes
- Life Insurance Experience: Jan 2024 – June 2024 \$435,00 worth of claim
- Reserves: \$673,187
- Demographic coming down in age – helps overall demographic change
- 2025: Life rate calculated on 15,000 lives; manual rate \$0.408; actual rates if \$0.319; Decrease in rate of 2.99%
- Life Renewal
- Life Insurance
- MAC Justification of Rates – Life Insurance: Loss Ratio: 68.86%; Target Loss Ratio: 81.90%; Required increase: 0.00%
- Accidental Death & Disbursement: Premiums Jan – June 2024 \$31,157; no change in rates
- Critical Illness: Claims: 2024: \$35,000; Loss Ratio: 63%
- Dependent Life: 2024: \$5,000; Loss Ratio: 41%; 2025; Decrease of 2.91%
- Short Term Disability: 2024: \$48,204 – (Southeast Regional Commission; underwritten with own rates – 20% increase) 189 employees; increase of 19.12%
- Long Term Disability: 2024: claims - \$473,723; Loss Ratio: 55%; Loss Ratio Reserve: 81%; Demographics are getting lower



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- Long Term Disability Renewal 2025: LTD rate calculated on 7,500 lives; overall increase of 5.39%; no minimum increase; no maximum increase
- Municipalities that have a lot of LTD incidents will have an increase
- MAC Justification of Rates Long Term Disability
 - 2024: Premiums Paid: \$865,551
 - Interest on premiums: 6,281
 - Projected Claims: \$1,256,819
 - Loss Ratio: 144.17%
 - Calculated rate (experience and manual) \$4.44
 - Statistics on LTD: 2024: two largest contributors Mental & Nervous Disorders, Depression, Burnout and Musculoskeletal System
 - Assumption Life looking at solutions to do an analysis on Long Term Disability in municipalities
 - 1196 employees with MAC; 35 on LTD; 13 new claimants and only 4 terminated in prior year

Health Insurance

- 2025: Target loss ratio according to group size
- Credibility formula applicable to health benefit
- Experience based on 18 months
- Maximum increase of 25%; maximum decrease of 0%
- 6 divisions will have no change
- 15 divisions will increase by 3%
- 1 division will increase by 5%
- 10 divisions will increase by 8%
- 13 divisions will increase by 12%
- 1 division will increase by 13%
- 5 divisions will increase by 17%
- 2 divisions will increase by 20%
- 6 divisions will increase by 25%

| | | | |
|---------|------------------|-------------|----------------------------------|
| Claims: | Hospital Room: | \$ 390 | 0.1% |
| | Vision: | \$ 85,618 | 7.5% |
| | Extended Health: | \$372,225 | 32.5% |
| | Drugs: | \$685,819 | 59.9% |
| | Travel: | 0 | 0.0% |
| | Total: | \$1,144,052 | 100.00%; annualized: \$2,288,104 |

Ozempic claims:

Large number of claims for weight loss vs diabetic needs



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Effective Nov 1, 2023 all Ozempic Claims were changed to Special Authorization grace period stopped at first of January 2024

If claimant is diabetic, authorization will remain in place, and claiming will continue as is Health Insurance Renewal Action Analysis (5 years)

2025: Increase of 9.72%

Health Insurance – FFP Status

Total 74 (38 active)

Dental Insurance Renewal

Summary of action for 59 divisions who have Dental coverage:

1 division will decrease by 5%

20 divisions will remain unchanged

9 divisions will increase by 5%

8 divisions will increase by 8%

9 divisions will increase by 12.5%

5 divisions will increase by 17%

7 divisions will increase by 20%

Dental Insurance Experience

Premiums January to June 2024: 548,850

Claims: \$515,542

Loss Ratio: 94%

Dental Insurance Claims: January 2024 to June 2024

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|-------|-----------|-------|
| Basic | \$496,154 | 96.2% |
|-------|-----------|-------|

| | | |
|--------------------|--------|------|
| Major Restoration: | 10,702 | 2.1% |
|--------------------|--------|------|

| | | |
|-------------|-------|------|
| Prosthesis: | 2,422 | 0.5% |
|-------------|-------|------|

| | | |
|---------------|-------|------|
| Orthodontics: | 6,264 | 1.2% |
|---------------|-------|------|

Dental Insurance Renewal:

Overall renewal increases 2024: 91.9%

MAC All Benefits Renewal Action Analysis (5 years)

2025 Increase of 7.22%

Overall Impact

2025 Divisions

0% or less - 5 Divisions

0% to 5% Increase 20 Divisions

5% to 12% increase 29 Divisions

12% increase 5 Divisions



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Estimated 2024 Retention Program from January 1, 2024 to June 30, 2024

Total retention charges: (325,339)

Current surplus left in deposit \$820,275

Estimated Experience End June vs End August 2024

Total Retention Charges June 30th = (325,399) August 30th = (427,861)

Current left in deposit: June 30th 820,275 August 30th = 824,647

Pooling Experience Drugs

Estimated results:

January 2024 – December 2024: Premiums: \$144,918; Pooling charge: 4.41%

Additional Information:

Only 1 claimant reached the pooling limit of \$15,00 in 2023

11 new active claimants for FPP since last renewal

There is 1 claimant close to reaching the pooling threshold by end of 2024

Impact of Pooling

Possibilities of saving the first \$15,000

Premium Holiday

Is this something we should be doing? \$300,000 would be the cost

Let's wait to see the final result in December 2024

Investment of Surplus

GIC was invested at 4.2% 1 Year GIC non redeemable from January 1 to December 31st

Over the next few weeks GF will meet with each individual municipality to discuss their Group Insurance for 2025

(b) Homewood Health – Review of Usage - Ariel Kirby

- Mental Health Issues need has increased – multiple red flags
- Clinical questionnaires are given (screened for eligibility for short or long term counselling)
- 91% of employees have participated in Wellness Programs have improved on their mental health goals
- Comprehensive EFAP will assist with enhanced long term mental health care and wellness
- The severity of anxiety and depression symptoms has been rising steadily, and



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- the majority of those accessing the program are women
- Delivery Metrics:
 - o 8 seconds average response time to calls
 - o 7% of cases use MeetNow (immediate access to a counsellor at intake for crisis or single session therapy)
 - o 4.4 days to the time of first appointment (actual when adjusted for client timing preference)
- Clinicians who only focus on Crisis: 550 trauma trained and experienced therapists
More than 50 locations across every province
Average of 15 years experience; 100 crisis debriefings per month

Utilization Overview:

| | | |
|------------------------|-----|-------|
| Counselling Services | 44 | 68% |
| Crisis Management | 2 | 3.1% |
| Enhanced Mental Health | 3 | 7.7% |
| Life Smart Coaching | 13 | 20.1% |
| Online Services | .67 | 1.0% |

Top Requests:

Crisis Management Interventions
Death of an Employee
Key Person Advice Line
Supporting a troubled employee/team

Top Requestee:

City of Bathurst
Town of Quispamsis
Town of Sussex

Top Counselling: Stress, behavior problems, work stress

Top Coaching: Burnout, relationship, nutrition

Motion to Approve 2025 Renewal

It was moved by Suzanne Coulombe seconded by Gilles Legacy that the MAC Board approve the 2025 Renewal. **Motion Carried**

(c) MAC/AGM / Education Day

It was the consensus of the Board to combine the MAC AGM with the Education Day in Spring of 2025. Date to be determined.



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8. Date and Location of Next Meeting - Virtual January 23, 2025

9. Adjournment

It was moved by Scott Sparks that the MAC Board Meeting of September 27th 2024 be adjourned at 11:35 a.m.. **Motion Carried**

Respectfully Submitted,
Brenda Knight