



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

MAC BOARD OF DIRECTORS MEETING
Thursday October 2, 2025 @ 1:00 PM
Town of Quispamsis
12 Landing Court, Quispamsis, NB

AGENDA

1. Attendance

Chris Spear, President
Paul Lang, Vice-President
Scott Sparks, Treasurer
Cheryl Emmerson, Director
Suzanne Coulombe (Virtual)

Absent:

Gilles Legacy, Director
Claudette MacLean, Director

In Attendance:

Catherine LeBlanc, Goguen Financial
Joel Drolet, Goguen Financial
Kevin Lavigne, Goguen Financial
Steve Strang, Goguen Financial
Gabriel Hache

2. Call to Order and Welcome

Chris Spear welcomed the MAC Board members to the October 2, 2025 meeting at 1:20 p.m.

3. Approval of Agenda

It was moved by Paul Lang seconded by Scott that the Agenda of the October 2, 2025 MAC Board meeting be approved. **Motion Carried**



4. Approval of Minutes

- (a) Minutes of Virtual Meeting May 12, 2025 @ 4:00 p.m..

It was moved by Scott seconded by Suzanne that the minutes of the virtual meeting of May 12, 2025 be approved. **Motion Carried**

- (b) Minutes of Board Meeting After AGM May 13, 2025 @ 3:30 p.m.

It was moved by Paul Lang seconded by Cheryl that the minutes of the MAC Board Meeting after the AGM on May 13, 2025 be approved. **Motion Carried**

5. Business Arising from the Minutes

- a) MAC Education Day 2026

Joel advised that no date has been set but the week of May 13th & 14th would be an excellent time. Perhaps operational stuff on retirement, pension, etc. new trends could be presented – a new product. Homewood Health update would be a good idea. MAC will reconvene early December or January to further discuss.

- b) Retirement Secretary – Extended to End June 2026

It was noted that the Secretary will extend her contract until the end of June. The Committee hiring will get together in New Year to get the ball rolling.

6. Financial Report

- (a) Financial Report to August 31st, 2025

The Treasurer reviewed the Financial Report to end August 2025 as the bank statement for September only was received today.

It was moved by Scott Sparks, seconded by Paul Lang to accept the August 2025 Financial Statement.



7. New Business

(a) Goguen Financial

Agenda:

Life Insurance
Accidental Death & Dismemberment
Critical Illness
Dependent Life
Short Term Disability
Long Term Disability
Health Insurance
Dental Insurance
All Benefits

- Group size: 2025-26 – 26 groups with 10 lives or less: total of 63 groups
- 2024 – 26 groups with 10 lives or less out of a total of 59 groups

Overall Renewal:

- 2.40% change
- Almost 5% better than 2024

Life Insurance Experience

- January 2025 – June 2025
 - o Premiums 336,786
 - o Claim 408,000
 - o Inc/Dec 91,406
 - o Reserves

Justification of Rates Life Insurance: Proposed: -3.00%; Negotiated -3.72%

Demography Life 2025 vs 2024 0.979%

Life Insurance Renewal:

- Life rate calculated on 15,000 lives
- Manual rate is \$0.95
- Actual rate is \$0.309
- Decrease should be 3.00%
- Decrease in rate of 3.72%

Life Insurance Renewal Action Analysis (5 years)

- 2026 Decrease -3.72%

Accidental Death & Dismemberment

- January 2025 – June 2025
- Premiums: 13,154
- Claims: 10,000
- Loss Ratio: 76%

Justification of Rates: Proposed 0.00%; Negotiated: -0.03%



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Critical Illness: (January -June 2025)

- Premiums: 68,304
- Claims: 10,000
- Inc/Dec: 3,407
- Reserves: 16,687
- Loss Ratio: 20%
- Justification of Rates: Proposed 0.00% Negotiated: 0.00%

Dependent Life:

- January 2025- June 2026
- Premiums: 13,154
- Claims: 10,000
- Loss Ratio: 76%
- Justification of Claims: Proposed: -3.00%; Negotiated: -3.60%
- 2026 Overall Renewal Action: Decrease of 3.60%

Short Term Disability:

- Experience:
- Premiums: 72,703
- Claims: 64,666
- Loss Ratio: 89%
- Justification of Rates: Proposed: 20.00%; Negotiated: 17.54%

Long Term Disability:

- Experience:
- Premiums: 1,031,647
- Claims: 555,880
- Inc/Dec: 299,313
- Reserves: 4,939,391
- Loss Ratio: 54%
- Loss Ratio Reserve: 83%
- Justification of Rates: Proposed: 2.50%; Negotiated: 1.69%
- Renewal: 2026: LTD Rate calculated on 7,500 lives; Overall increase of 1.69%
- 2026: Overall increase of 1.69%

Statistics on LTD: (Causes June 2025)

Most Prevalent:

- o Mental & Nervous Disorder
- o Musculoskeletal System
- LTD: As of June 2025: 39 Active Claimants
 - o Since last renewal: 13 new claimants; 9 cases closed; 3 open and closed case
- A total of 51 claimants within the experience period of June 1st 2024 to June 30 2025



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Health Insurance Renewal 2026:

- Maximum increase of 25%; Maximum decrease of 0%
- 5 Divisions will increase by 5%
- 31 Divisions will have no change
- 8 Divisions will increase by 2.5%
- 4 Divisions will increase by 5%
- 7 Divisions will increase by 7.5%
- 2 Divisions will increase by 10%
- 3 Divisions will increase by 15%
- 2 Divisions will increase by 20%

Health Insurance Experience:

- Premiums: 1,769,033
- Claims: 2,550,022
- Loss Ratio: 72%

Health Insurance Claims:

- Vision 7.0%
- Extended Health: 31%
- Drugs: 61%

Ozempic Claims: January to June 2025)

- 1mg or less: 75,865
- Large # of claims were for weight loss vs diabetic needs
- Effective Nov 1, 2023 all Ozempic claims were changed to Special Authorization required

Average Claims per employee (2025)

- Employees: 1387
- Claims: \$1,275,011
- Average Claims per employee: \$919
- Current years loss ratio: 72.1%
- Renewal Action Analysis:
 - o 2026: Increase of 2.11%
- FPP Status: (high claimants)
 - o Gover't and PAP: 9
 - o ■ -
 - o PAP: 13
 - o Spouse & PAP: 5
 - o Spousal Plan: 7
 - o ClaimSecure: 1
 - o Others & Entry Error: 4
 - o No Response: 2
 - o Discontinued: 7
 - o Terminated: 29
 - Total: 77 (35 (active))**



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Dental Insurance Renewal:

- 2026
- Maximum increase of 20%
- Maximum decrease of 0%
- 25 Divisions will remain unchanged
- 7 Divisions will increase by 5.0%
- 6 Divisions will increase by 10.0%
- 8 Divisions will increase by 12.5%
- 1 Divisions will increase by 15%
- 2 Divisions will increase by 20%
- 8 Divisions will increase by 25.0%

Dental Insurance Experience: (January 2025 – June 2025)

- Premiums: 661,428
- Claims: 1,100,328
- Loss Ratio: 83%

Dental Insurance Claims:

- Basic: 95.4%
- Major Restoration: 2.7%
- Prosthesis: 0.4%
- Orthodontics: 1.5%
- Average Claims per Employee (2025):
 - o Employees: 1380
 - o Claims: \$550,164
 - o Average Claims per employee: \$399
- Dental Insurance Renewal:
 - o Current Year: 83.2%
 - o Overall average rate increase/decrease: 6.76%
 - o Renewal Action Analysis (5 years): 2026: Increase of 6.76%
- All Benefits Renewal Action Analysis: 2026: Increase of 2.49%
- Overall Renewal:
 - o Life: -3.72%
 - o AD&D: -0.03%
 - o CI: 0.00%
 - o Dependent Life: -3.60%
 - o STD: 17.54%
 - o LTD: 1.69%
 - o Health: 2.11%
 - o Dental: 6.76%

Estimated Experience – Jan – June 30, 2025

- Premiums: 2,430,461
- Total Claims: (1,864,189)
- Total Retention Charges: (383,511)
- Interest: 1,106



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- Surplus (Deficit): 24,654
- Initial Stabilization Fund: 37,599
- Interest credited to Stabilization Fund: 329
- Current Stabilization Fund: (62,542)
- Current Surplus left in Deposit: 836,613

Note: Joel is still negotiating the stabilization fund with Assumption Life and has nothing in writing yet.

Pooling Experience Drugs: (Jan. 25 – December 25, 2025)

- Premiums: \$118,982
- Claims: \$ 4,498
- Pooling Charge: 6.1%
- FPP offers protection:
 - o Ony 1 claimant reached the pooling limit of \$15,000 in 2024
 - o 11 new active claimants for FPP since last renewal
 - o Goguen Financial recommends an amendment to Assumption Life retroactive to January 1, 2025 but GF Financial will ask Assumption Life of how many FPP's are happening in municipalities population 5,000 to 10,000
 - o Goguen Financial will develop a recommendation for the Boards consideration.
 - o Impact of Pooling: Pooling to remain at \$15,000
 - o Percentage of Premium: 5%
 - o Estimated Annual Cost: \$176,900
- Premium Holiday
 - o There is none for 2026
- Investment of Surplus
 - o Invested at 4.2% 1 year GIC Non-Redeemable from January 1, 2025 to December 31st 2025
- Homewood Health
 - o February 1, 2025 to July 31, 2025
- Maple
 - o GF has requested that Assumption Life include all municipalities have 3 visits of Maple included in their Assumption Life Plan – everyone grandfathered

It was moved by Paul Lang, seconded by Scott Sparks, that the 2026 Renewal from Goguen Financial as presented. **Motion Approved**



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8. Date and location of next meeting:

- **December 2025-TBD – Pooling Motion – Virtual**
- **January 16, 2025 @ 9:00 a.m. - Virtual**

9. Adjournment

It was moved by Paul Lang that the MAC Board meeting of October 2, 2025 be adjourned at 3:30 p.m. **Motion Carried**

Respectfully submitted,
Brenda L. Knight
Secretary Municipal Advisory Corporation