

**Motion 19.79    MOVED: Andy Shelp**

**SECONDED: Dan Dzaldov**

**WHEREAS:** The self-insured retention fund has grown significantly beyond the liabilities

**AND WHEREAS:** There have been no specific policies addressing how to invest the funds, how much to retain and what to do with funds beyond the amount that is required

**BE IT RESOLVED:** That Council adopts the following policies with respect to the self-insured retention fund:

- One-years' worth of reserves be retained in the bank (at year start) to allow for the payment of deductibles as called upon by the insurer and the remainder to be invested in investments as agreed to by Council
- Funds invested be discounted by 20% when considering the amount of funds required in the retention fund
- The self-insured retention fund be maintained at the sum of potential liabilities of the AOLS plus \$300,000 to deal with unforeseen changes (e.g. loss of members in the program)
- Surplus funds, beyond those noted previously, shall be used to offset membership payments for the self-insured retention fund (currently \$550,000)
- Offsets for individual companies shall be calculated proportionally based on premiums paid over the previous five years excluding any surcharges
- Where a company purchased the assets and liabilities of another company within the five-year period, the acquiring company will be entitled to the proportional refund of the acquired company
- Offsets to bills shall be clearly indicated on invoices so that companies understand the full cost of premiums

**DATE: February 25, 2020**

**Chair: Al Jeraj    Carried: (1 Opposed)**