



## **CIRMA reports strong results for 2009-10**

**New Haven, CT -- January 28<sup>th</sup>, 2011.** The Connecticut Interlocal Risk Management Agency (CIRMA) reported the best financial results in its thirty year history at its January 28<sup>th</sup> Annual Meeting of Members in Rocky Hill. President and Chief Executive Officer Bruce A. Wollschlager reported a 45% increase in Members Equity, which now totals \$78 million, total assets of over \$260 million, and premiums of \$74 million for the 2009-10 policy year. A new Board of Directors was nominated and unanimously elected by the members.

Municipal risk pooling was a new, untried concept in Connecticut when the CIRMA was founded in 1980 in response to the municipal insurance crisis. With \$3.4 million in premiums, and a little over \$1 million in Members' Equity, Wollschlager noted that CIRMA was properly capitalized from its very first day in operation. That strong start and conservative underwriting and financial practices have enabled it to provide its 344 municipal, public schools, and local public entity members rate stability and open markets for three decades.

That accomplishment continues. Wollschlager reported low aggregate rate indications for the upcoming policy year of 0.0% and -0.7% respectively, for its Liability-Auto-Property and Workers' Compensation pools.

This year's negative aggregate rate indication for CIRMA's Workers' Compensation pool stands in stark contrast to The National Council on Compensation Insurance's (NCCI) recently released indication of a 5.8% increase for the Workers' Comp voluntary market for 2011. While medical and time-off costs have driven rates higher across the state, CIRMA's managed care, safety training, and risk management initiatives have enabled it to hold rates steady. That's good news for many of the state's municipal leaders: CIRMA, the leading municipal insurer in the state, provides coverage for over 60,000 Connecticut municipal and public school employees.

In her keynote address, acting Connecticut Insurance Commissioner Barbara C. Spear emphasized the importance of wellness and safety training programs in keeping Workers' Compensation costs low. She noted, "A healthy workforce and one that's well-trained will have long-term costs benefits. CIRMA has a real opportunity right now to stress the importance of its worker safety programs. Once those programs become victim of the economy, then the stage is set for even more financial hardship down the road."

CIRMA's mission is, in part, to empower its members to better manage risk; over 5,000 municipal and school employees attended CIRMA's risk management training programs in 09-10. CIRMA held two executive-level seminars before the event on *Risk Transfer Best Practices* and the *Total Cost of Risk*.

Wollschlager also reported the approval by CIRMA's Board of Directors and by the Department of Insurance of CIRMA's new Dividend Program for eligible members. The dividend is based on CIRMA's strong Members' Equity position. Wollschlager noted that the dividend amount for the 2009-10 year will be declared at CIRMA's March 2011 Board Meeting, and each eligible member will receive immediate notification of the amount of their dividend. The declared distribution will be paid in July of 2011 to eligible members.

### **About the Connecticut Interlocal Risk Management Agency**

*The Connecticut Interlocal Risk Management Agency (CIRMA) was established as a service program of CCM in 1980. Today, CIRMA is Connecticut's leading provider of municipal risk financing and risk management service in Connecticut. CIRMA's financial strength enables it to provide assured rate stability, open availability, and expert risk management and claims services.*

*A member-owned and governed agency, CIRMA provides high quality, tailored insurance for municipalities, school districts, and local public agencies. CIRMA operates two risk pools, the Workers' Compensation and the Liability-Auto-Property pool. It also provides Heart & Hypertension claims services and claims administration and risk management services to self-insured municipalities.*

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