The year 2014-15 was one of outstanding success for CIRMA and its members:

- Over 99% of CIRMA members renewed this year and nine new members joined, bringing total membership to 386, a new high.
- Total Premiums reached $91 million, a 5.4% increase and a new high. The increase flowed from membership growth, not rate increases; CIRMA declared 0% and 0% aggregate rate indications for both pools.
- CIRMA declared a $2.5 million Members’ Equity Distribution, the fourth in five years, bringing total distributions to $11.5 million — great news at a time of reduced funding.

CIRMA completed a major milestone with the launch of new automation systems, providing improved communication, efficiencies, and data management for better decision-making.

CIRMA broke records in the development and delivery of high-quality services and programs. Over 5,500 member employees participated in our training and education programs. The CIRMAcare™ program delivered outstanding care and cost containment services to members. Our value-add programs reduced liability for members and improved service delivery.

Our members themselves had many achievements that are just as important: Our Board of Directors and Committees guided CIRMA’s direction and the development of a range of new programs, including the E-Learning Center, new best practices and addressed emerging risks. Both the Workers’ Compensation and Liability-Auto-Property pool members made significant reductions in claims frequency, severity, and average claims costs.
**Value Beyond Price.** As remarkable as these achievements are, their real significance lies in what they mean to members. Our financial and membership growth means that our members can depend on CIRMA for low, stable rates and security year after year. Our program development expertise means we deliver sophisticated services and improved tools that address new trends and emerging exposures. Against a backdrop of turmoil in the global financial markets and uncertain state funding, CIRMA is strongly positioned to serve its members long into the future.

CIRMA is a unique organization dedicated to meeting the diverse risk management and insurance needs of Connecticut’s municipalities, public schools, and local public agencies. For this reason, there is no one single metric that can capture the full value of a CIRMA membership. Instead, by acting as a financial backstop and risk management expert, our value is shown by our members’ increased efficiencies and capacity to deliver a broader range of services to their communities. Our strength helps our members’ communities to grow and thrive, a value beyond price.

David Demchak  
President & Chief Executive Officer, CIRMA
“CIRMA is a municipal expert. They know our exposures and the best ways to assure we have exactly the right coverage. Budgets and needs change. CIRMA is always available, professional, well-informed, and provides a high level of service.”

Lisa Pellegrini, First Selectman, Somers

“We are delighted to be a member of CIRMA, your professional staff and services are a great value to all First Selectmen.”

Edmund J. Meehan, First Selectman, Chester
<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2014-15</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested Assets</td>
<td>$306,519,452</td>
<td>$293,478,988</td>
</tr>
<tr>
<td>Cash &amp; Receivables</td>
<td>20,439,184</td>
<td>17,053,164</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$326,958,636</strong></td>
<td><strong>$310,532,152</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>2014-15</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>$220,021,312</td>
<td>$209,610,760</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>8,286,009</td>
<td>1,701,795</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>$228,307,321</strong></td>
<td><strong>211,312,555</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MEMBERS' EQUITY</th>
<th>2014-15</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members’ Equity, Beginning of Year</td>
<td>99,219,597</td>
<td>88,047,339</td>
</tr>
<tr>
<td>Excess of Revenues over Expenses</td>
<td>1,877,510</td>
<td>11,172,258</td>
</tr>
<tr>
<td>Distribution of Members’ Equity</td>
<td>(2,445,792)</td>
<td>—</td>
</tr>
<tr>
<td><strong>MEMBERS’ EQUITY, END OF YEAR</strong></td>
<td><strong>98,651,315</strong></td>
<td><strong>99,219,597</strong></td>
</tr>
</tbody>
</table>

| TOTAL LIABILITIES & MEMBERS’ EQUITY | $326,958,636 | $310,532,152 |

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>2014-15</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premiums &amp; Commissions</td>
<td>$91,060,537</td>
<td>$86,402,368</td>
</tr>
<tr>
<td>Reinsurance Premiums</td>
<td>(14,901,408)</td>
<td>(15,923,993)</td>
</tr>
<tr>
<td>Investment Income</td>
<td>5,021,227</td>
<td>16,920,333</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>$81,180,356</strong></td>
<td><strong>87,398,708</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>2014-15</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for Loss &amp; LAE</td>
<td>$68,746,234</td>
<td>$65,475,045</td>
</tr>
<tr>
<td>Second Injury Fund</td>
<td>1,530,148</td>
<td>1,463,176</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>9,026,464</td>
<td>9,288,229</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$79,302,846</strong></td>
<td><strong>76,226,450</strong></td>
</tr>
</tbody>
</table>

| **EXCESS OF REVENUES OVER EXPENSES** | **$1,877,510** | **$11,172,258** |

*Auditors, Grant Thornton LLP*
CIRMA reached new highs in Members’ Equity, Premiums, and Assets!

The year’s +5.4% increase in Premium is successfully balanced by Members’ Equity of $99 M, enabling CIRMA to provide ongoing rate stability and capacity.

CIRMA declared a $2.5 M Members’ Equity Distribution. Total $11.5 M over 5 years.

Improved efficiencies enabled CIRMA to reduce the ratio of our General & Administrative Expenses to Net Premiums of 11.8% to below the industry average of 17.7%.
MEMBERSHIP GROWTH

- 216 Workers' Compensation
- 164 Liability-Auto-Property
- 6 SIS

Total Memberships — a New High!

9 New Members

1980-81
1990-91
2000-01
2010-11
2014-15
CIRMA delivers outstanding rate stability year after year!
CIRMA’s long-term rate stability is demonstrated in this comparison of NCCI’s to CIRMA’s 5-year cumulative rate need.
CREATING RISK MANAGEMENT & INSURANCE SOLUTIONS

Working with our Board of Directors, Committees, and Strategic Partners, CIRMA creates tailored programs and services for our members’ unique exposures:

MEMBERS’ RISK PROFILE

<table>
<thead>
<tr>
<th>LIABILITY-AUTO-PROPERTY</th>
<th>WORKERS’ COMPENSATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expenses</td>
<td>Total Payroll</td>
</tr>
<tr>
<td>Town</td>
<td>$2,627,289,676</td>
</tr>
<tr>
<td>Public Schools</td>
<td>$3,825,176,524</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$6,452,466,200</strong></td>
</tr>
</tbody>
</table>

+ 4.8% increase

+ 3.2% increase

CIRMA INSURES:

<table>
<thead>
<tr>
<th>Ambulances</th>
<th>105</th>
<th>Fire Stations</th>
<th>216</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buses (other)</td>
<td>143</td>
<td>Libraries</td>
<td>124</td>
</tr>
<tr>
<td>Fire Trucks</td>
<td>689</td>
<td>School Buildings</td>
<td>733</td>
</tr>
<tr>
<td>Light Trucks</td>
<td>1,515</td>
<td>Sewage Treatment Plants</td>
<td>45</td>
</tr>
<tr>
<td>Motorcycles</td>
<td>71</td>
<td>Town Halls</td>
<td>118</td>
</tr>
<tr>
<td>Police Trucks</td>
<td>80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Police Vehicles</td>
<td>2,087</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Passenger Vehicles</td>
<td>1,079</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refuse Trucks</td>
<td>64</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Buses</td>
<td>497</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trailers</td>
<td>1,100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trucks (other)</td>
<td>2,733</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vans</td>
<td>758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Watercraft</td>
<td>255</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Insured Property Value: $15,770,904,864

+ 3.3% increase
CIRMA COVERAGE PROGRAMS
CIRMA provides Liability-Auto-Property and /or Workers’ Compensation coverage for:
• 133 Municipalities
• 129 School Districts
• 75 Local Public Agencies

Value-added programs 2014-15:
• Volunteer Firefighter Accident Insurance — 8,767 Volunteers covered.
• Tenant-User Liability Insurance Program (TULIP) — 231 policies issued.
• Pollution coverage provided for LAP members.
• Property coverage for K-9 units.
• International Travel Program — 62 policies issued, covering 1,281 students.

CLAIMS MANAGEMENT SOLUTIONS
• CIRMAcare™ Medical Care Plan — $21 M in program savings!
• Heart & Hypertension Program — 29 members
• Expert restoration services
• Strong legal defense and advocacy
• Claims investigation, validation, education
• Contract review services

SOPHISTICATED BUSINESS ANALYTICS
Comprehensive reporting for improved decision-making

RISK MANAGEMENT TRAINING & EDUCATION PROGRAMS 2014-15
CIRMA held 237 sessions attended by 5,512 participants — a new high!

CIRMA introduced:
• 11 new training topics on areas of emerging risk.
• New Preventing Slips, Trips and Falls Training Kit.
• 2 New Law Enforcement Best Practice Guides.
• New E-Learning Center for online training & education.
Our members’ successful efforts are shown by the long-term decline in frequency and severity in both pools.
RISK MANAGEMENT ACHIEVEMENT AWARDS 2016

NEW & INNOVATIVE RISK MANAGEMENT INITIATIVES
Cheshire

SUSTAINED RISK MANAGEMENT PROGRAMS
Warren

ESTABLISHING RISK MANAGEMENT AS AN ORGANIZATIONAL PRIORITY
Easton
Harwinton
Somers

SUBSTANTIAL IMPACT ON LOSS COST FACTORS
Bolton
East Windsor

OUTSTANDING COMMITMENT & RESULTS FROM SAFETY & HEALTH COMMITTEES
Waterford

EXCEPTIONAL PROPERTY MANAGEMENT
North Stonington Public Schools
GOVERNANCE 2014-15

BOARD OF DIRECTORS
Barbara Henry, Roxbury Chairman
Susan Bransfield, Portland, Vice Chairman
Mark Boughton, Danbury
Stephen Cassano, Manchester
Robert Chatfield, Prospect
Robert Congdon, Preston
John Elsesser, Coventry
Matthew Galligan, South Windsor
Tony Harp, New Haven
Scott Jackson, Hamden
Denise Menard, East Windsor
Elizabeth Paterson, Mansfield
Leo Paul, Litchfield
Lisa Pellegrini, Somers
Herbert Rosenthal, Newtown
Mark Walter, East Haddam
Steven Webner, Tolland

BUDGET AND AUDIT COMMITTEE
Herbert Rosenthal, Newtown, Chairman
Stephen Cassano, Manchester
John Elsesser, Coventry
Matthew Galligan, South Windsor
Elizabeth Paterson, Mansfield

CLAIMS ADVISORY COMMITTEE, continued
Timothy O’Neil, Manchester
Mark Palmer, Coventry
Lisa Pellegrini, Somers
Daniel Roche, New Haven
Joseph Samolis, Middletown
Greg Simmons, Manchester
Kori Wisneski, Middletown
Susan Zecca, Norwalk Police Department

CLAIMS ADVISORY COMMITTEE
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Cynthia Bennett, East Hartford, Vice Chairman
Harold Alvord, Norwalk
Gary Conrad, Westport
Edward DeMarco, East Windsor
Nicholas DiCorleto, Ellington
Arthur Giulietti, Hamden
Linda Guliuzza, Norwalk
Kim Kell, Milford
Thomas Kulhawik, Norwalk
Mark Langton, Middletown
Cynthia Mangini, Enfield
Denise Menard, East Windsor

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Elizabeth Bauer, Coventry
Bruce Benway, Killingly
Frank Chiaramonte, Harwinton
Gary Conrad, Westport
Judy Doneiko, Milford
Adam Dunsby, Easton
Sean Hendricks, Killingly
Barbara Henry, Roxbury
Denise Menard, East Windsor
Leo Paul, Litchfield
James Reynolds, Middletown
Daniel Roche, New Haven
Robert Swick, Milford Transit District
Diane Waldron, Glastonbury

LAW ENFORCEMENT ADVISORY COMMITTEE
J. Darren Stewart, Stonington, Chairman
Nicholas Boulter, Simsbury
Jose Claudio, Somers
Robert Gagne, Orange
Jeremiah Johnson, Darien
Brian Klett, Rocky Hill
Thomas Kulhawik, Norwalk
Brett Mahoney, Waterford
Michael Maniago Torrington
Keith Mello, Milford
Marc Montminy, Manchester
Marc Palmer, Coventry
Murray Pendleton, Waterford
LAW ENFORCEMENT ADVISORY COMMITTEE, continued
Matthew Reed, South Windsor
Tim Silva, Waterford
Elliot Spector, Hasset & George PC
Michael Spera, Old Saybrook
Edward Stephens, Wolcott
William Tanner, POST
Thomas Terribile, Guilford
Beau Thurnauer, East Hartford

OPERATIONS & UNDERWRITING COMMITTEE
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Rob Buden, Plainville
Maria Capriola, Mansfield
Thomas Cooke, Simsbury
Lucian Jachimowicz, Newington Public Schools
Karl Kilduff, Darien
Tom Landry, Weston
Kimberly Lord, East Windsor
Denise Menard, East Windsor
Tonya Park, Thompson
Lisa Pellegrini, Somers
Bonnie Reemsnyder, Old Lyme
Theodore Shafer, Burlington
Jonathan Sistare, Cromwell
William Smith, Granby
William Strachan, Consultant
Michael Wilkinson, Tolland
James Wren, Berlin

RISK MANAGEMENT ADVISORY COMMITTEE
Laura Francis, Durham, Chairman
Denise McNair, Berlin, Vice Chairman
Harold Alvord, Norwalk
Ruth Checko, Avon
Janette Devendorf, Manchester
Gil Fried, University of New Haven
David Gofstein, Coventry
Glenn Marston, Avon

RISK MANAGEMENT ADVISORY COMMITTEE, continued
Mary McCarthy, CT Technology Transfer Center
Lee Palmer, Darien
Stephen Pendl, Cromwell
Raymond Purtell, Glastonbury
Kirk Severance, Granby
Elliot Spector, Hasset & George, P.C.
Michael Spera, Old Saybrook
J. Darren Stewart, Stonington
William Tanner, POST
Kenneth Tucker, CT Dept. of Labor, OSHA Division
Michael Turner, Wethersfield
Mark Walter, East Haddam
Patricia Washington, Glastonbury
Michael Wilkinson, Tolland

SCHOOL DISTRICT ADVISORY COMMITTEE
Julie Pendleton, Old Saybrook Public Schools, Chairman
Steven Wapen, EASTCONN, Vice Chairman
Patricia Brooks, Manchester Public Schools
Steven Busel, Plainville Public Schools
Cindy Cruz, Plainville Public Schools
Michele DiMauro, Middletown Public Schools
Susan Domanico, Torrington Public Schools
Peter Gerardi, Killingly Public Schools
Donald Harwood, East Hampton Public Schools
Nancy Haynes, Middletown Public Schools
Timothy Howes, Wethersfield Public Schools
Jason Lehman, East Hampton Public Schools
Steven Michaud, Plainville Public Schools
Steven Mills, Windsor Locks Public Schools
Lee Palmer, Norwalk Public Schools
Michael Purcaro, Vernon Public Schools
Kenneth Roy, Glastonbury Public Schools
Michael Spera, Old Saybrook
MISSION STATEMENT

The purpose of the Connecticut Interlocal Risk Management Agency (CIRMA) is to meet the risk management and risk financing needs of Connecticut municipalities and local public agencies.

CIRMA achieves this purpose by:

- Anticipating and responding to the risk management and financing needs of its members in a changing environment.
- Providing quality services tailored to municipal operations and requirements.
- Ensuring the availability of insurance coverage at reasonable prices, and thereby creating stability in the marketplace.
- Preventing accidents and managing injuries through effective loss control and claims management programs, resulting in savings over the long term.
- Empowering municipalities to manage risk.

Essential to fulfilling CIRMA’s mission is the cooperative effort of its team of professional staff and service providers. This team is totally committed to serving the interests of CIRMA’s membership while striving to always provide quality service with excitement and a sense of urgency.