



Rapport annuel

2018-2019

LE PROGRÈS L'EMPORTE SUR LES PROFITS.

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RAPPORT DE LA PRÉSIDENTE

Au nom du conseil d'administration et du personnel, j'ai le plaisir de vous communiquer le rapport annuel 2018-2019 du Nova Scotia School Insurance Program.

Le conseil d'administration a rempli avec succès ses obligations annuelles suivantes :

États financiers vérifiés

- Les états de fin d'exercice du SIP ont fait l'objet d'une opinion sans réserve de ses vérificateurs, KPMG.
- Malgré une augmentation des primes d'assurance de 343 788 \$ par rapport à 2018, il n'y a pas eu d'augmentation des primes payées par les souscripteurs en raison du niveau des réserves de stabilisation des tarifs.
- La valeur du total des sinistres non encore réglés a été réduite de 441 032 \$ par rapport à 2018.

Évaluation actuarielle

- Les états de fin d'exercice du SIP ont fait l'objet d'une opinion sans réserve de son actuaire, PriceWaterhouse Coopers.
- Le passif des sinistres a été réduit de 512 087 \$ par rapport à 2018.

De plus, le conseil d'administration a traité consciencieusement un certain nombre d'affaires durant l'année, notamment les suivantes :

EDSC (examen dynamique de suffisance du capital)

- L'actuaire du SIP, PriceWaterhouse Coopers, a effectué un examen dynamique de suffisance du capital pour déterminer le niveau approprié des réserves de stabilisation des tarifs du SIP afin de couvrir les sinistres et de protéger les titulaires de police et les créanciers.
- D'après les résultats de l'étude, la nouvelle réserve de stabilisation des tarifs recommandée a été réduite, passant de 5,2 millions de dollars à 4 millions de dollars, en raison de l'amélioration de l'historique des sinistres – à compter du 31 mars 2019.
- Au 31 mars 2019, les réserves de stabilisation des tarifs du SIP, selon les états financiers vérifiés, s'élevaient à 4,8 millions de dollars.

Recherche d'un directeur général

- Nomination de Bruce Macdonald au poste de directeur général du SIP, à compter du 1^{er} août 2019.

Politiques approuvées

- Politique de lutte contre la fraude
- Politique d'achat
- Politiques et procédures relatives au personnel

30^e anniversaire du SIP

En 2018, SIP a célébré ses 30 ans de service efficace à ses souscripteurs. Pour connaître les détails de l'histoire du SIP, veuillez consulter l'[annexe 2](#).

Sports et activités

Tout sport ou toute activité qui est approuvé, organisé et supervisé par un directeur ou une directrice d'école (ou son délégué) et conforme aux politiques et aux procédures des centres régionaux pour l'éducation, du Conseil scolaire acadien provincial et du Collège communautaire de la Nouvelle-Écosse est assuré par le biais du SIP.

Résultats d'assurance

La fréquence des sinistres est restée inchangée en 2018-2019. Les mauvaises conditions météorologiques continuent de causer des dommages matériels à nos souscripteurs, notamment le vent et la pluie. La bonne nouvelle est que le coût des sinistres immobiliers a été réduit de 50 % cette année. Le SIP continuera à travailler avec ses souscripteurs pour réduire les risques en vue de réduire la fréquence et la gravité des sinistres.

Départs en retraite et changements de personnel

- Scott Norton, conseiller juridique du SIP depuis 30 ans, a été nommé juge à la Cour suprême de la Nouvelle-Écosse en décembre 2018. Bien que nous en soyons très heureux pour lui, son expertise et ses conseils nous manqueront beaucoup.
- Nous voudrions remercier Dave Jones du Centre régional pour l'éducation Annapolis Valley pour ses services au sein du conseil d'administration du SIP d'avril à octobre 2018.
- En février 2019, nous avons accueilli Pat Murphy du Centre régional pour l'éducation Annapolis Valley au sein du conseil d'administration du SIP.
- Brian Smith du Centre régional pour l'éducation South Shore a siégé au conseil d'administration du SIP d'avril 2018 à août 2019. Nous voudrions remercier Brian pour sa contribution à notre conseil et lui souhaiter une excellente retraite.

En conclusion, nous remercions nos souscripteurs pour leur soutien continu à ce programme et les membres de notre personnel pour leur dévouement inébranlable à l'appui de tous nos souscripteurs.

Je tiens également à rendre hommage au dévouement, au soutien, au leadership et à l'engagement de tous les administrateurs du SIP, anciens et actuels, qui ont permis de maintenir les élèves de la Nouvelle-Écosse au cœur de toutes nos décisions.

C'est un privilège d'exercer les fonctions de présidente tandis que nous continuons à travailler avec diligence pour fournir des produits d'assurance de qualité adaptés au domaine de l'éducation, et des services de traitement des sinistres, de gestion des risques et de contrôle des pertes aux centres régionaux pour l'éducation, au Conseil scolaire acadien provincial et au Collège communautaire de la Nouvelle-Écosse tout en nous efforçant de stabiliser les primes et d'atténuer les fluctuations du marché des assurances.

Respectueusement soumis,



Janine Saulnier

Présidente du Conseil d'administration du SIP *Énoncé de mission*

Le SIP est une bourse d'assurance à but non lucratif, destinée à fournir des services d'assurance de qualité aux centres régionaux pour l'éducation de la Nouvelle-Écosse, au Conseil scolaire acadien provincial et au Collège communautaire de la Nouvelle-Écosse.

Brève description

Le Nova Scotia School Insurance Exchange, connu officiellement sous le nom de School Insurance Program (programme d'assurance scolaire) ou SIP, appartient aux centres régionaux pour l'éducation de la Nouvelle-Écosse, au Conseil scolaire acadien provincial et au Collège communautaire de la Nouvelle-Écosse (CCNE). Le SIP est une bourse d'assurance réciproque agréée par le surintendant des assurances de la province de Nouvelle-Écosse.

GOUVERNANCE ET GESTION

Un conseil d'administration composé de neuf membres, nommés tous les quatre ans par chacun des souscripteurs, est responsable de la GOUVERNANCE du School Insurance Program (programme d'assurance scolaire). Voici le conseil d'administration du SIP pour l'année 2018-2019 :



De gauche à droite : Trevor Cunningham; Chris Grover; William Strubank; Pat Murphy; Janine Saulnier; Terri Thompson; Brian Smith; Herb Steeves
(Absent : Paul Oldford)

Souscripteur	Titulaire	Conseil	Poste
Centre régional pour l'éducation Annapolis Valley	Pat Murphy, B.Ed, M.Ed	Administrateur	Directeur des programmes et des services
Centre régional pour l'éducation Cape Breton-Victoria	Paul Oldford, P.Eng	Administrateur	Directeur des services opérationnels
Centre régional pour l'éducation Chignecto-Central	Herb Steeves, B.Sc., P.Eng., MBA	Administrateur	Directeur des services d'exploitation
Conseil scolaire acadien provincial	Janine Saulnier, B.Sc., MBA	Présidente	Directrice des finances et trésorière du conseil
Centre régional pour l'éducation Halifax	Terri Thompson, CPA, CGA	Administrateur	Directeur des services financiers
Collège communautaire de la Nouvelle-Écosse	William Strubank, B.Sc	Vice-président	Gestionnaire, santé et sécurité au travail et services environnementaux
Centre régional pour l'éducation South Shore	Brian Smith, BPE, PDAD	Administrateur	Directeur des opérations
Centre régional pour l'éducation Strait	Chris Grover, CPA, CGA	Administrateur	Directeur des finances
Centre régional pour l'éducation Tri-County	Trevor Cunningham, B.Sc, B.Ed., M. Ed., MBA	Administrateur	Directeur des programmes et des services aux élèves

PERSONNEL DU SIP

Le personnel du SIP est composé d'une équipe de sept membres et est responsable de la gestion et des opérations quotidiennes du SIP :



De gauche à droite : Meagan Spicer, Rebekah Tingley, Dawn Graves, Lee-Anne Dauphinee, Cindy Norrad et Valencia Forrest

Nom	Poste
Bruce Macdonald (À compter du 1 ^{er} août 2019), BBA, CAIB, CIP	Directeur général
Lee-Anne Dauphinee, CIP, CRM	Gestionnaire des risques
Cindy Norrad, B. Comm., CPA, CGA, CRM	Contrôleuse
Rebecca Tingley	Adjointe à la gestion des risques
Meagan Spicer	Adjointe aux sinistres
Valencia Forrest	Adjointe aux sinistres
Dawn Graves	Adjointe administrative

APPENDIX 1

FINANCIAL STATEMENTS 2018-2019

Combined Financial Statements of

**NOVA SCOTIA SCHOOL
INSURANCE PROGRAM**

Year ended March 31, 2019



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INDEPENDENT AUDITORS' REPORT

To the Subscribers of Nova Scotia School Insurance Exchange

Opinion

We have audited the combined financial statements of Nova Scotia School Insurance Exchange (the "Entity"), which comprise:

- The combined statement of financial position as at March 31, 2019
- the combined statement of income for the year then ended
- the combined statement of comprehensive income for the year then ended
- the combined statement of changes in reserves for the year then ended
- the combined statement of cash flows for the year then ended
- and notes to the combined financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the combined financial position of the Entity as at March 31, 2019, and its combined financial performance and its combined cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditors' report thereon, included in the Annual Report.



Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

The information, other than the financial statements and the auditors' report thereon, included in a document likely to be entitled "Annual Report" is expected to be made available to us after the date of this auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Halifax, Canada

May 31, 2019

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

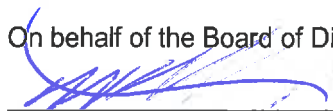
Combined Statement of Financial Position

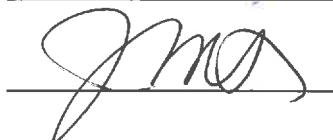
As at March 31, 2019, with comparative information for 2018

	2019	2018
Assets		
Cash and cash equivalents	\$ 2,642,089	\$ 4,105,981
Deposits with other financial institutions	432,366	176,230
Investments (note 4)	8,362,312	9,174,523
Loans and receivables	31,564	990
Other assets	47,358	112,928
Property and equipment (note 5)	14,322	11,467
Total assets	\$ 11,530,011	\$13,582,119
Liabilities		
Accounts payable and accrued liabilities	\$ 267,988	\$ 200,308
Premiums received in advance	2,570,643	4,114,932
Claims liabilities (note 7)	3,531,951	4,044,038
Total liabilities	6,370,582	8,359,278
Subscribers' reserves:		
Rate stabilization reserves (note 10)	4,755,575	5,025,913
Accumulated other comprehensive income	403,854	196,928
	5,159,429	5,222,841
Commitments (note 11)		
Total liabilities and reserves	\$ 11,530,011	\$13,582,119

See accompanying notes to combined financial statements.

On behalf of the Board of Directors:

 Director

 Director

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Income

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Insurance activity		
Written Premiums		
Gross premiums	\$ 4,309,039	\$ 4,308,414
Underwriting premiums	(2,653,088)	(2,309,300)
Net premiums earned	1,655,951	1,999,114
Claims paid	1,696,700	1,076,353
Claims liabilities (note 7)	(569,948)	(27,045)
Net claims	1,126,752	1,049,308
Premiums in excess of claims	529,199	949,806
Investment activity		
Investment income (note 4(b))	297,722	628,911
Investment management fees	(41,346)	(42,043)
Net investment income	256,376	586,868
Other expenses		
Insurance operating expenses	9,658	15,358
Operating expenses (note 13)	1,046,255	1,117,966
Total other expenses	1,055,913	1,133,324
Net (loss) income	\$ (270,338)	\$ 403,350

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Comprehensive Income

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Net (loss) income	\$ (270,338)	\$ 403,350
Other comprehensive income (loss)		
Available-for-sale financial assets:		
Unrealized gain (loss) on available-for-sale financial assets	234,080	(116,369)
Reclassification adjustments:		
Realized gain on disposal of available-for-sale financial assets	(29,049)	(340,607)
Amortization of premiums and discounts recognized under the effective interest rate method	1,895	1,233
Total other comprehensive income (loss)	206,926	(455,743)
Comprehensive loss	\$ (63,412)	\$ (52,393)

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Changes in Reserves

Year ended March 31, 2019, with comparative information for 2018

	Rate Stabilization Reserves	Accumulated Other Comprehensive Income	Total
Balance, March 31, 2017	\$4,622,563	\$652,671	\$5,275,234
Net income	403,350		403,350
Other comprehensive loss		(455,743)	(455,743)
Balance, March 31, 2018	\$5,025,913	\$196,928	\$5,222,841
Net loss	(270,338)		(270,338)
Other comprehensive income		206,926	206,926
Balance, March 31, 2019	\$4,755,575	\$403,854	\$5,159,429

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Cash Flows

Year ended March 31, 2019 with comparative information for 2018

	2019	2018
Cash provided by (used in)		
Operations:		
Net (loss) income	\$ (270,338)	\$ 403,350
Items not involving cash:		
Depreciation of property and equipment	8,805	12,469
Gain on sale of property and equipment	(675)	(366)
Investment income	(297,722)	(628,911)
IBNR reserve change	(71,055)	(119,295)
Reserve adjustments	(441,032)	45,847
Change in non-cash working capital items (note 15)	102,675	211,470
Proceeds from interest income	60,716	98,527
Proceeds from dividend income	221,184	193,087
Premiums received in advance	(1,544,289)	997,340
	(2,231,731)	1,213,518
Investments:		
Bonds purchased	(1,268,330)	(2,023,505)
Equities purchased	(241,009)	(1,169,880)
Proceeds from sale of bonds	2,103,392	1,674,512
Proceeds from sale of equities	440,906	1,250,717
Proceeds from sale of property and equipment	675	529
Additions to property and equipment	(11,659)	(6,726)
	1,023,975	(274,353)
(Decrease) increase in cash flow for year	(1,207,756)	939,165
Cash and other cash deposits, beginning of year	4,282,211	3,343,046
Cash and other cash deposits, end of year	\$ 3,074,455	\$ 4,282,211
Cash and other cash deposits consist of the following balances:		
Cash and equivalents	\$ 2,642,089	\$ 4,105,981
Deposits with other financial institutions	432,366	176,230
	\$ 3,074,455	\$ 4,282,211

See accompanying notes to the financial statements

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements

Year ended March 31, 2019

The Nova Scotia School Insurance Program ("SIP") is the combination of the Nova Scotia School Insurance Exchange (the "NSSIE") and its Attorney-in-Fact, the Nova Scotia School Insurance Program Association (the "NSSIPA"). SIP underwrites property and casualty insurance for the seven Nova Scotia regional Centres for Education, one provincial school board and the Nova Scotia Community College (the "Subscribers").

The NSSIE, established under a reciprocal insurance exchange agreement dated December 1, 2000, is licensed in the province of Nova Scotia by the Superintendent of Insurance ("NSSI") to provide property and liability insurance including educational errors and omissions in accordance with Part XII of the Insurance Act (Nova Scotia) R.S.N.S. 1989, c. 231, specifically Section 321.1.

SIP's registered office is located at Suite 150 – 11 Akerley Blvd, Dartmouth, Nova Scotia.

1. Basis of preparation:

(a) Statement of compliance:

These combined financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The combined financial statements were authorized for issue by the Board of Directors on May 31, 2019.

(b) Basis of combination

The combined financial statements reflect all the assets, liabilities, revenue, expenses and cash flows of the SIP, which includes 100% of NSSIE and NSSIPA. There are no other related or associated entities that have not been included that operate under the common name SIP. SIP is consolidated with the Nova Scotia Government Public Accounts.

The statements were prepared on a combined basis to reflect the underlying expenses incurred by the NSSIPA as Attorney-in-Fact on behalf of the NSSIE, which is funded by NSSIE contributions to NSSIPA. All inter-entity balances and transactions have been eliminated.

(c) Basis of measurement:

The combined financial statements have been prepared on the historical cost basis, except available-for-sale financial assets, which are measured at fair value, and the claims liabilities, which are measured on a discounted basis in accordance with accepted actuarial practice (which in the absence of an active market provides a reasonable proxy of fair value).

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

1. Basis of preparation (continued):

(d) Functional and presentation currency:

These combined financial statements are presented in Canadian dollars, which is SIP's functional and presentation currency.

(e) Combined statement of financial position:

SIP presents its combined statement of financial position in order of liquidity. Assets and liabilities that are expected to be recovered or settled in more than 12 months after the reporting date are summarized in notes 4 and 8.

2. Significant accounting policies:

(a) Premiums:

Premiums are earned over the term of the related policy period. As SIP's policy year ends March 31, there are no unearned premiums at March 31. Premiums received in advance relate to premiums received in the current year for the policy period commencing April 1 of the following year.

(b) Financial assets and liabilities:

(i) Financial assets:

SIP accounts for all financial assets using trade date accounting. Transaction costs related to the purchase of financial instruments are recorded as part of the carrying value.

Cash comprises cash on account and demand deposits. Cash equivalents are short term highly liquid investments with an original maturity of less than three months that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

All investments are designated as available-for-sale ("AFS") securities. AFS securities are carried at fair value whereby the unrealized gains and losses are included in accumulated other comprehensive income ("AOCI") until sale or an impairment loss is recognized, at which point cumulative unrealized gains or losses are included in investment income. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Loans and receivables, and other financial liabilities (liabilities other than insurance policy liabilities) are accounted for at amortized cost.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(ii) Financial liabilities:

Financial liabilities are recognized initially on the trade date at which SIP becomes a party to the contractual provisions of the instrument. SIP derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. SIP has the following non-derivative financial liabilities: accounts payable and accrued liabilities.

(iii) Fair value measurement principles:

SIP's financial instruments recorded at fair value have been categorized based upon the following fair value hierarchy:

- Level 1 – quoted price (unadjusted) in an active market for an identical instrument.
- Level 2 – valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.
- Level 3 – valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the investments.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

3. Significant accounting policies (continued):

(iv) Investment income:

Dividends and interest income are included in investment income and are recorded as they accrue. Interest is recognized using the effective interest rate method. Income distributions from Canadian income trusts are recorded as income when received. Dividend income on equity investments is recorded on the ex-dividend date.

(v) General investment expenses:

General investment expenses are recognized as incurred.

(c) Property and equipment:

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognized net within other income in profit or loss.

Amortization is provided using the straight-line basis over the following periods:

Asset	Rate
Leasehold improvements	10 years
Furniture and equipment	3 years
Computer hardware	2 years

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(d) Claims liabilities:

Provision has been made for the estimated liability for all reported and outstanding claims using a case-basis evaluation plus an amount for adverse development and for claims incurred to March 31, which have not yet been reported to SIP. The computation of these provisions takes into account the time value of money using discount rates based on projected investment income from the assets supporting these provisions.

Since the amounts are necessarily based on estimates of future trends in claim severity and other factors which could vary as the claims are settled, the ultimate liability may be more or less than the estimated amounts. Although it is not possible to measure the degree of variability inherent in such estimates, management believes that the unpaid claims amounts and related adjustment expenses are adequate. The estimates are annually reviewed by an actuary and, as adjustments to these liabilities become necessary, they are reflected in current operations.

(e) Additional coverage and other primary insurance coverage:

SIP, on behalf of its Subscribers, obtains additional coverage and other primary insurance coverage. No amount has been recorded related to this other coverage as SIP is not an insurer in these contracts.

(f) Salvage and subrogation recoverable:

In certain circumstances, SIP acquires the right to pursue third parties for losses paid to policyholders under insurance contracts or to dispose of the damaged goods. SIP has recognized and disclosed all identifiable and measurable amounts it expects to recover and recoverable amounts are not recognized until paid or confirmed by SIP's solicitor or adjusters.

(g) Insurance contracts:

Insurance contracts are those contracts that have insurance risk throughout the term of the contract. Insurance risk arises when SIP agrees to compensate a policyholder if a specified uncertain future event adversely affects the policyholder. It is defined as the possibility of paying significantly more in a scenario where the insured event occurs than when it does not occur.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(h) Income taxes:

As an exchange under *The Insurance Act* of Nova Scotia, the NSSIE is not subject to income taxes and, accordingly, no provision for income taxes has been made in these combined financial statements.

As a not-for-profit organization under *The Societies Act* of Nova Scotia, the NSSIPA is not subject to income taxes and accordingly no provision for income taxes has been made in these combined financial statements.

(i) Impairment:

(i) Financial assets:

A financial asset carried at amortized cost is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to SIP on terms that SIP would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Impairment losses on AFS investment securities are recognized by transferring the cumulative loss that has been recognized in other comprehensive income, and presented in unrealized gains/losses on AFS financial assets, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

If, in a subsequent period, the fair value of an impaired AFS debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognized in profit or loss. However, any subsequent recovery in the fair value of an impaired AFS equity security is recognized in other comprehensive income.

(ii) Non-financial assets:

The carrying amounts of SIP's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less expected selling costs. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognized in income in the period in which the impairment is determined.

(j) Foreign currency translation:

The Canadian dollar is the functional and presentation currency of SIP. Transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Translation differences on AFS investments are classified as other changes in the carrying value of the investment and are recognized in other comprehensive income.

Monetary assets and liabilities are translated at current rates of exchange.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(k) New standards and interpretations not yet adopted:

(i) IFRS 17, "Insurance Contracts":

On May 18, 2017 the IASB issued IFRS 17 Insurance Contracts. The new standard is effective for annual periods beginning on or after January 1, 2021 (however, the IASB has tentatively decided to propose deferring the effective date to January 1, 2022). IFRS 17 will replace IFRS 4 Insurance Contracts. This standard introduces consistent accounting for all insurance contracts. The standard requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. Additionally, IFRS 17 requires an entity to recognize profits as it delivers insurance services, rather than when it receives premiums.

SIP intends to adopt IFRS 17 in its financial statements for the annual period beginning on April 1, 2021. The extent of the impact of adoption of the standard has not yet been determined.

(ii) IFRS 9, Financial Instruments:

In July 2014, the IASB issued the complete amended IFRS 9, Financial Instruments. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. The restatement of prior periods is not required and is only permitted if information is available without the use of hindsight.

IFRS 9 introduces new requirements for the classification and measurement of financial assets based on the business model in which they are held and the characteristics of their contractual cash flows. It also amends the impairment model by introducing a new "expected credit loss" model for calculating impairment.

The standard also introduces additional changes relating to financial liabilities.

IFRS 9 also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Special transitional requirements have been set for the application of the new general hedging model.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

In September 2016, the IASB issued amendments to IFRS 4, Insurance Contracts to address accounting mismatches and volatility that may arise in profit or loss in the period between the effective date of IFRS 9 and the new insurance contracts standard, IFRS 17 Insurance Contracts, issued in May 2017.

The amendments introduce two approaches that may be adopted by insurers in the period between the effective date of IFRS 9, January 1, 2018 and IFRS 17, effective January 1, 2021 (however, the IASB has tentatively decided to propose deferred the effective date to January 1, 2022):

- Overlay approach – an option for all issuers of insurance contracts to reclassify amounts between profit or loss and other comprehensive income for eligible financial assets by removing any additional accounting volatility that may arise from applying IFRS 9; and
- Temporary exemption – an optional temporary exemption from IFRS 9 for entities whose activities are predominately connected with insurance. This exemption allows an entity to continue to apply existing financial instrument requirements in IAS 39 to all financial assets until the earlier of the application of IFRS 17 or January 1, 2021.

SIP evaluated its liabilities at March 31, 2016, the prescribed date of assessment under the temporary exemption provisions and concluded that all of the liabilities were predominantly connected with insurance. Approximately 99% of SIP's liabilities at March 31, 2016 are liabilities that arise from contracts within the scope of IFRS 17 and approximately 99% of SIP's liabilities at March 31, 2016 are liabilities that arise because SIP issues insurance contracts and fulfils obligations arising from insurance contracts. Additionally, SIP has not previously applied any version of IFRS 9. Therefore, SIP is an eligible insurer that qualifies for optional relief from the application of IFRS 9.

As at April 1, 2018, SIP has elected to apply the optional transitional relief under IFRS 4 that permits the deferral of the adoption of IFRS 9 for eligible insurers. SIP will continue to evaluate the impact of IFRS 9.

(ii) IFRS 16, Leases:

On January 13, 2017, the IASB issued IFRS 16, Leases, effective for annual periods beginning on or after January 1, 2019. IFRS 16 will replace IAS 17 Leases. This standard introduces a single lessee accounting model and required a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirement of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. SIP intends to adopt IFRS 16 in its financial statements for the annual period beginning on April 1, 2019. SIP does not expect the standard to have a material impact on the financial statements.

Change in accounting policies:

SIP adopted IFRS 15, Revenue from Contracts with Customers effective January 1, 2018. The adoption of IFRS 15 did not impact the timing or amount of income from contracts with customers and the related assets and liabilities recognized by SIP.

3. Significant judgments and estimates:

SIP makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Significant judgments:

Significant judgments made in applying accounting policies relate to impairments on AFS financial assets. As of each reporting date, SIP evaluates AFS financial assets in an unrealized loss position for impairment on the basis described in note 2(i).

For investments in bonds and debentures, evaluation of whether impairment has occurred is based on SIP's best estimate of the cash flows expected to be collected at the individual investment level. SIP considers all available information relevant to the collectability of the investment, including information about past events, current conditions, and reasonable and supportable forecasts. Estimating such cash flows is a quantitative and qualitative process that incorporates information received from third party sources along with certain internal assumptions and judgments. Where possible, this data is benchmarked against third party sources. Impairments for bonds and debentures in an unrealized loss position are deemed to exist when SIP does not expect full recovery of the amortized cost of the investment based on the estimate of cash flows expected to be collected or when SIP intends to sell the investment prior to recovery from its unrealized loss position.

For equity investments, SIP recognizes an impairment loss in the period in which it is determined that an investment has experienced significant or prolonged loss position.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

3. Significant judgments and estimates (continued):

(b) Estimates:

Information about assumptions and estimation uncertainties that have a risk of resulting in material adjustment within the next twelve months relate to claims liabilities.

Provisions for claims liabilities are valued based on Canadian accepted actuarial practice, which are designed to ensure SIP establishes an appropriate reserve on the combined statement of financial position to cover insured losses and claims expenses with respect to the reported and unreported claims incurred as of the end of each accounting period. The policy liabilities include a provision for unpaid claims and adjustment expenses on the expired portion of policies and of future obligations on the unexpired portion of policies. In performing the valuation of the liabilities for these contingent future events, the Appointed Actuary, Pricewaterhouse Coopers, makes assumptions as to future loss ratios, trends, investment rates of return, expenses and other contingencies, taking into consideration the circumstances of SIP and the nature of the insurance policies.

The assumptions underlying the valuation of provisions for unpaid claims and adjustment expenses are reviewed and updated by SIP on an ongoing basis to reflect recent and emerging trends in experience and changes in risk profit of the business.

4. Investments:

	2019	2018
Bonds:		
Government	\$ --	\$ 314,451
Corporate	--	966,871
Pooled bond funds units:		
Government	2,807,261	2,816,704
Corporate	2,569,228	2,326,718
Other	860,382	568,426
Accrued interest	12,697	24,403
Equities:		
Common shares	1,066,231	1,012,185
Mutual and pooled funds units	1,046,513	1,144,765
	\$ 8,362,312	\$ 9,174,523

The fair values of securities are based on quoted market values. Pooled funds and mutual funds are valued using an estimated fair value derived from the quoted market values of the underlying investments held by the respective pooled or mutual fund.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

4. Significant judgments and estimates (continued):

Fair values of cash equivalents and accrued investment income approximate their carrying values due to the short-term maturity of these items.

(a) Liquidity:

Principal bond maturity profile as at March 31, 2019, assuming bonds are not liquidated prior to maturity is as follows:

Government pooled bond funds units 5.2 years

Corporate pooled bond funds units 6.0 years

Other pooled bond funds units 3.2 years

The weighted average yield for debt securities based on market value at March 31, 2019 is 2.6% (March 31, 2018 – 3.0%).

(b) Investment and other income:

	2019	2018
Interest	\$ 46,307	\$ 91,338
Dividends	222,366	196,966
Gain on sale of investments	29,049	340,607
	\$ 297,722	\$ 628,911

Dividends includes re-invested dividends of \$8,949 (2018 - \$7,979) related to mutual funds and short term investments.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

5. Property and equipment:

	Furniture and equipment	Computer hardware	Leasehold improvements	Total costs:
Balance, March 31, 2018	\$ 84,428	\$ 52,426	\$ 8,759	\$145,613
Additions		11,659	—	11,659
Disposals	(1,474)	(4,205)	—	(5,679)
Balance, March 31, 2019	82,954	59,880	8,759	151,593

Accumulated depreciation:

Balance, March 31, 2018	79,588	49,151	5,407	134,146
Depreciation for the year	2,696	5,176	933	8,805
Disposals	(1,474)	(4,206)	—	(5,680)
Balance, March 31, 2019	80,810	50,121	6,340	137,271

Carrying amounts:

Balance, March 31, 2018	\$ 4,840	\$ 3,275	\$ 3,352	\$ 11,467
Balance, March 31, 2019	\$ 2,144	\$ 9,759	\$ 2,419	\$ 14,322

6. Limits of liability:

(b) Commercial general liability insurance:

The limit of liability for liability insurance is a maximum amount on any one loss of \$250,000 subject to a policy annual aggregate of \$1 million. The Subscriber pre-entry deductible is \$1,000 for third- party property damage only. There is no deductible for bodily or personal injury. These policy liability limits were in effect for both fiscal years 2019 and 2018.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

6. Limits of liability (continued):

(c) Property insurance:

The limit of liability for property insurance is a maximum amount of any one loss of \$250,000 subject to a policy annual aggregate of \$1 million. The Subscriber pre-entry deductible is \$5,000. These policy liability limits were in effect for both fiscal years 2019 and 2018.

(d) Educational errors and omissions insurance:

The limit of liability for errors and omissions insurance is a maximum amount of any one loss of \$250,000 subject to a policy annual aggregate of \$1 million. The Subscriber pre-entry deductible (after the SIP self-insured retention of \$250,000) is \$1,000. These policy liability limits were in effect for both fiscal years 2019 and 2018.

7. Claims liabilities:

(a) Nature of claims liabilities:

Claims liabilities are estimates subject to variability and the variability could be material in the near term. The variability arises because all events affecting the ultimate settlement of claims have not taken place and may not take place for some time. Variability can be caused by receipt of additional claim information, or significant change in severity or frequency of claims from historical trends. The estimates are principally based on SIP's historical experience. Methods of estimation have been used which SIP believes produce reasonable results given current information.

SIP strives to establish adequate claim liabilities at the original valuation date. However, as time passes, the ultimate cost of claims becomes more certain. During 2019, SIP experienced unfavorable claims development of \$42,252, 2018 favorable claims development of \$409,772.

The table below details the claim liabilities by risk categories:

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

7. Claims liabilities (continued):

	2019 Gross	2019 Net	2018
Property	\$ 521,475	\$ 521,475	\$ 1,291,495
Comprehensive general liability	2,787,498	2,787,498	2,668,809
Educational errors and omissions	222,978	222,978	83,734
	<u>\$ 3,531,951</u>	<u>\$ 3,531,951</u>	<u>\$4,044,038</u>

Management has concluded that the best estimate of the fair value of claims liabilities currently available is the amount calculated by the Appointed Actuary. The Actuary's calculated value as at March 31, 2019 amounted to \$3,531,951 (2018 - \$4,044,038).

(b) Discounting of the claims liabilities

The provision for claims liabilities is discounted using rates based on the projected investment income from the assets supporting the provisions, and reflecting the estimated timing of payments and recoveries. The discount rate used in the valuation was 1.39% (2018 – 1.78%).

The provision estimates are as follows:

	2019		2018	
	Discounted	Undiscounted	Discounted	Undiscounted
Gross provision	\$3,531,951	\$3,274,924	\$4,044,038	\$3,822,211
Net provision	<u>3,531,951</u>	<u>3,274,924</u>	<u>4,044,038</u>	<u>3,822,211</u>

Undiscounted provisions reflect the estimated claims and related expenses prior to the effect of discounting and provision for adverse deviation (PFAD) determined by the appointed actuary.

(c) Insurance contract provision:

	2019 Gross	2019 Net	2018
Notified claims	\$ 1,932,697	\$ 1,932,697	\$ 2,373,729
Claims incurred but not reported	1,599,254	1,599,254	1,670,309
	<u>\$ 3,531,951</u>	<u>\$ 3,531,951</u>	<u>\$ 4,044,038</u>

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

7. Claims liabilities (continued):

(d) Analysis of movements in insurance contract provisions:

	2019	2018
Balance, April 1	\$ 4,044,038	\$ 3,953,307
Current year claims and expenses	1,396,699	1,867,444
Prior year unfavourable (favourable) development	42,252	(409,772)
Total claims incurred	5,482,989	5,410,979
Increase (decrease) due to changes in discount rate and PFAD	35,200	(152,298)
Claims and related expenses paid	(1,986,238)	(1,389,656)
Excess reinsurance received	--	175,013
Balance, March 31	\$ 3,531,951	\$ 4,044,038

(e) Methodologies and assumptions:

The provision for claims liabilities is an estimate that is determined using a range of accepted actuarial claims projection techniques determined based on the line of business. The reported amount is based on studies of past experience. The key assumption of the incurred loss/paid loss claims development method is that claims recorded to date will continue to develop in a similar manner in the future. These techniques use SIP's historical claims development patterns to predict future claims development. In situations where there has been a significant change in the environment or underlying risks, the historical data is adjusted to account for expected differences. The historical studies are regularly compared to current emerging experience so that adjustments may be made as necessary.

In order to calculate the carrying value of the unpaid claims, SIP uses an actuarial approach recognizing the time value of money which incorporates assumptions concerning projected cash flows and appropriate provisions for adverse deviations. The actuarially determined carrying value of claims liabilities is considered an indicator of fair value, as there is no ready market for the trading of insurance policy liabilities.

The provision for claims liabilities is discounted as described in note 7(b).

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

7. Claims liabilities (continued):

(f) Changes in assumptions:

Consideration is given to the characteristics of the risks, historical trends, the amount of data available on individual claims, inflation and any other pertinent factors. Some assumptions require a significant amount of judgment such as the expected future impacts of future judicial decisions and government legislation. The diversity of these considerations result in it not being practicable to identify and quantify all individual assumptions that are more likely than others to have a significant impact on the measurement of SIP's insurance contracts. There were no assumptions identified in the year or the preceding year as having a potential or identifiable material impact on the overall claims estimate.

(g) Sensitivity analysis:

There is uncertainty inherent in the estimation process. The actual amount of ultimate claims can only be ascertained once all claims are closed. Among all the lines of business, general liability line of business has the largest unpaid claims liabilities. Given the nature of this line of business and the fact that it has a very long tail, this line's estimate is the most critical to the assumptions used. If the tail factor selection on this line of business was 5% higher, the net claims liabilities would be \$162,544 higher. The effect on net profit would be a reduction of \$162,544. If the expected loss ratios used were 5% higher in all loss years, the net claims liabilities would be \$125,913 higher, generating a reduction of \$125,913 in net profit. Changes in assumptions on other lines of business are considered to be less material.

(h) Claims development tables:

The following table shows the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive loss year at each reporting date, together with cumulative payments to date.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

7. Claims liabilities (continued):

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Estimate of ultimate claims costs:										
End of accident year \$	\$816,333	\$572,423	\$882,851	\$1,333,358	\$1,824,636	\$1,555,249	\$1,528,025	\$1,527,943	\$1,166,928	
End of one year	586,533	904,844	475,390	766,990	1,437,403	1,673,420	1,450,630	1,477,497		
End of two years	533,464	769,622	477,723	631,688	1,308,691	1,693,489	1,323,401	1,270,054		
End of three years	522,466	810,358	416,578	552,798	1,321,573	1,676,228	1,300,923			
End of four years	552,283	727,998	433,836	516,117	1,203,630	1,677,276				
End of five years	515,694	632,264	399,747	474,649	1,577,608					
End of six years	492,653	632,777	349,282	472,464						
End of seven years	490,200	607,127	353,415							
End of eight years	461,010	566,042								
End of nine years	443,093									
Current estimate of cumulative claims	443,093	566,042	353,415	472,464	1,577,608	1,677,276	1,300,923	1,270,054	1,477,497	1,166,928
Cumulative claims payments to	(441,861)	(562,311)	(342,975)	(371,654)	(1,048,650)	(1,513,711)	(1,110,536)	(1,075,798)	(1,028,295)	(140,916)
Liability Recognized	1,232	3,731	10,440	100,810	528,958	163,565	190,387	194,256	449,202	1,026,012
Total all claims										2,668,596
Liability in respect of prior years										59,352
Balancing item										546,976
Effect of discounting**										257,027
Total net claims liabilities										\$ 3,531,951

**Effect of discounting includes the provision for adverse deviations

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

8. Financial risk management:

The primary goals of SIP's financial risk management policies are to ensure that the outcomes of activities involving elements of risk are consistent with SIP's objectives and risk tolerance, and to maintain an appropriate risk/reward balance while protecting SIP's combined statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk appetite with business strategy, diversifying risk, pricing appropriately for risk, mitigating risk through preventive controls and transferring risk to third parties.

SIP's exposure to potential loss from financial risks is primarily due to underwriting risk along with various market risks, including interest rate risk and equity market fluctuation risk, foreign currency risk, liquidity risk, as well as credit risk.

(a) Underwriting risk:

Underwriting risk is the risk that the total cost of claims and acquisition expenses will exceed premiums received and can arise from numerous factors, including pricing risk, reserving risk and catastrophic loss risk.

SIP's underwriting objective is to provide cost effective insurance for its subscribers.

(i) Pricing risk:

Pricing risk arises when actual claims experience differs from the assumptions included in pricing calculations. Historically, the underwriting results of the property and casualty industry have fluctuated significantly due to the cyclical nature of the insurance market. The market cycle is affected by the frequency and severity of losses, levels of capacity and demand, general economic conditions and price competition. SIP prices premiums based on a historical factor of provider premiums and a calculation based on enrollment and square footage.

(ii) Reserving risk:

Reserving risk arises due to the length of time between the occurrence of a loss, the reporting of the loss to the insurer and ultimate resolution of the claim. Claim provisions are expectations of the ultimate cost of resolution and administration of claims based on an assessment of facts and circumstances then known, a review of historical settlement patterns, estimates of trends in claims severity and frequency, legal theories of liability and other factors.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

8. Financial risk management (continued):

Variables in the reserve estimation process can be affected by receipt of additional claim information and other internal and external factors, such as economic inflation, legal and judicial trends and legislative changes. Due to the amount of time between the occurrence of a loss, the actual reporting of the loss and the ultimate payment, provisions may ultimately develop differently from the actuarial assumptions made when initially estimating the provision for claims. SIP's provisions for claims are reviewed separately by, and must be acceptable to, the independent appointed actuary.

(iii) Catastrophic loss risk:

Catastrophic loss risk is the exposure to losses resulting from multiple claims arising out of a single catastrophic event. Property and casualty insurance companies experience large losses arising from manmade or natural catastrophes that can result in significant underwriting losses. Catastrophes can cause losses in a variety of property and casualty lines and may have continuing effects which could delay or hamper efforts to timely and accurately assess the full extent of the damage they cause. The incidence and severity of catastrophes are inherently unpredictable. SIP's exposure to risks is managed through the use of excess primary policies.

(b) Credit risk:

(i) Invested assets:

SIP's risk management strategy is to invest primarily in debt instruments of high credit quality issuers and to limit the amount of credit exposure with respect to any one issuer. SIP attempts to limit credit exposure by imposing portfolio limits on individual corporate issuers as well as limits based on credit quality. The breakdown of SIP's fixed income portfolio by the S&P rating or where unavailable the Fitch rating is presented below:

	March 31, 2019		March 31, 2018	
	Fair value	% of total	Fair value	% of total
AAA	\$ 3,930,198	63.02%	\$ 3,493,907	49.98%
AA	—	0%	171,819	2.46%
A+	2,273,129	36.45%	—	0%
A	—	0%	2,852,487	40.80%
<A	33,543	.54%	473,060	6.76%
	\$ 6,236,870	100.00%	\$ 6,991,273	100.00%

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

8. Financial risk management (continued):

(b) Credit risk (continued):

(ii) Aggregated credit risk:

SIP's aggregate exposure to credit risk is as follows:

	2019	2018
Investments in bonds	\$ 6,236,870	\$ 6,991,273
Accrued investment income, including interest	15,925	28,439
Accounts receivable	31,564	990
Cash and cash equivalents	2,642,089	4,105,981
	<u>\$ 8,926,448</u>	<u>\$ 11,126,683</u>

(c) Liquidity risk:

Liquidity risk is the risk of having insufficient cash resources to meet financial commitments and policy obligations as they fall due, without raising funds at unfavorable rates or selling assets on a forced basis.

Liquidity risk arises from the general business activities and in the course of managing the assets and liabilities. The liquidity requirements of SIP's business have been met primarily by funds generated from operations, asset maturities and income and other returns received on securities. Cash provided from these sources is used primarily for claims and claim adjustment and defense expense payments and operating expenses. The timing and amount of catastrophe claims are inherently unpredictable and may create increased liquidity requirements.

To meet these cash requirements, SIP has policies to limit and monitor its exposure to individual issuers or related groups and to ensure that assets and liabilities are broadly matched in terms of their duration and currency. SIP also holds a portion of invested assets in liquid securities. At March 31, 2019, SIP has \$2,642,089 (2018 - \$4,105,981) of cash and cash equivalents.

Along with the expected maturity profile of SIP's investment portfolio, the following table shows the expected payout pattern of the unpaid claim liabilities.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

8. Financial risk management (continued):

Expected payout pattern of unpaid claims as at March 31, 2019:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
\$ 864,326	\$ 1,662,952	\$ 704,254	\$ 43,391	\$3,274,923

Expected payout pattern of unpaid claims as at March 31, 2018:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
\$ 1,176,404	\$ 1,915,977	\$ 683,783	\$ 46,044	\$3,822,208

(d) Market risk:

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations, foreign currency exchange rates, and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of SIP's primary market risk exposures and how those exposures are currently managed.

(i) Interest rate risk:

Fluctuations in interest rates have a direct impact on the market valuation of SIP's fixed income securities portfolio and liability values. Historical data and current information is used to profile the ultimate claims settlement pattern by class of insurance, which is then used in a broad sense to develop an investment policy and strategy. Generally, investment income will move with interest rates over the long-term. Short-term interest rate fluctuations will generally create unrealized gains or losses. Generally, SIP's interest and dividend investment income will be reduced during sustained periods of lower interest rates as higher yielding fixed income securities are called, mature, or are sold and the proceeds are reinvested at lower rates, and will likely result in unrealized gains in the value of fixed income securities SIP continues to hold, as well as realized gains to the extent the relevant securities are sold. During periods of rising interest rates, the market value of SIP's existing fixed income securities will generally decrease and gains on fixed income securities will likely be reduced or result in realized losses.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

8. Financial risk management (continued):

As at March 31, 2019, management estimates that an immediate hypothetical 100 basis point, or 1%, parallel increase in interest rates would decrease the market value of the fixed income securities by \$181,493 (2018 – \$156,605), representing 2.91% (2018 – 2.24%) of the \$6,236,870 (2018 - \$6,991,273) fair value fixed income securities portfolio, and decrease the value of unpaid claims reserves by \$102,775 (2018 - \$106,839), thus partially offsetting the change in market value of bonds. Conversely, a 100 basis point decrease in interest rates would increase the market value of the fixed income securities by \$192,719 (2018 - \$164,295) and increase unpaid claims reserves by \$109,268 (2018 - \$113,315). If it was necessary for us to complete an unexpected quick liquidation of assets to meet our policy obligations, interest rate fluctuations could result in realized gains or losses greater than the change in reserve values.

Computations of the prospective effects of hypothetical interest rate changes are based on numerous assumptions, including the maintenance of the existing level and composition of fixed income security assets at the indicated date, and should not be relied on as indicative of future results. The analysis in this section is based on the following assumptions: 1) the securities in SIP's portfolio are not impaired; 2) interest rates and equity prices move independently; 3) shifts in the yield curve are parallel; and, 4) credit and liquidity risks have not been considered. In addition, it is important to note that AFS securities in an unrealized loss position, as reflected in OCI, may at some point in the future be realized either through a sale or impairment.

(ii) Equity market fluctuation risk:

Fluctuations in the value of equity securities affects the level and timing of recognition of gains and losses on securities held, and causes changes in realized and unrealized gains and losses. General economic conditions, political conditions and many other factors can also adversely affect the stock markets and, consequently, the value of the equity securities SIP owns.

To mitigate these risks, SIP establishes an investment policy which is approved by the Board of Directors. The policy sets forth limits for each type of investment and compliance with the policy is closely monitored. SIP manages market risk through asset class diversification, policies to limit and monitor its individual issuers and aggregate equity exposure.

As at March 31, 2019, management estimates a hypothetical 10% increase in equity markets, with all other variables held constant, would impact OCI by approximately \$12,275 (2018 - \$31,718). A 10% decrease in equity prices would have the corresponding opposite effect, impacting OCI by the same amounts. Stocks comprise 25.3% (2018 – 23.5%) of the fair value of SIP's total investments.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

8. Financial risk management (continued):

(iii) Foreign exchange risk:

Foreign exchange risk is the possibility that changes in exchange rates produce an unintended effect on earnings and equity when measured in domestic currency. This risk is larger when assets backing liabilities are payable in one currency and are invested in financial instruments of another currency. SIP monitors the exposure of invested assets to foreign exchange and limits these amounts when deemed necessary and mitigates foreign exchange rate risk. SIP may nevertheless, from time to time, experience losses resulting from fluctuations in the values of these foreign currencies, which could adversely affect operating results.

At March 31, 2019, SIP held \$727,043 in US equities.

As at March 31, 2019, management estimates that a hypothetical 10% increase in the value of the Canadian dollar compared to the US dollar with all other variables held constant, would impact OCI by (\$5,995). A 10% decrease in the value of Canadian dollar compared to US dollars would have the corresponding opposite effect, impacting OCI by the same amounts.

9. Fair value measurement:

The following presents SIP's financial instruments measured at fair value by hierarchy level:

	March 31, 2019		March 31, 2018	
	Fair value	Cost	Fair value	Cost
Level 1				
Investments	\$1,066,231	\$ 841,456	\$2,306,279	\$2,089,741
Level 2				
Investments	\$7,296,081	\$7,117,006	\$6,868,244	\$6,885,957
	\$8,362,312	\$7,958,462	\$9,174,523	\$8,975,698

There were transfers of \$812,211 between Level 1 and Level 2 in the period. There were no fair value measurements classified as Level 3.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

10. Rate stabilization reserves:

SIP has reserves which are intended to ensure stable rates to its members in future years as follows:

	Unrestricted Reserves	Externally Restricted Guarantee	Total
March 31, 2018	\$ 3,886,356	\$ 1,139,557	\$ 5,025,913
Net loss	(270,338)	--	(270,338)
Required transfer to and from restricted reserves	171,581	(171,581)	--
Balance, March 31, 2019	\$ 3,787,599	\$ 967,976	\$ 4,755,575

- (a) In accordance with the Exchange Agreement, Subscribers were not obliged to contribute any amounts to SIP in the form of a capital contribution. The combined rate stabilization reserves therefore represent the cumulative excess of income over expenses, including investment income, and may be used to cover potential future catastrophic claims or accommodation for significant increases in excess insurance premiums as appropriate. The Exchange Agreement provides that additional assessments may be made to the Subscribers to the extent that premiums collected are insufficient to cover the claims and expenses experienced by SIP. Similarly, where accumulated funds are in excess of funds required to meet the obligations in respect of claims arising, the Exchange Agreement provides for the issue of premium credits.
- (b) In accordance with the May, 2019, actuarial review of the minimum capitalization required for SIP (based on March 31, 2018 actual results), a conservative level of capital has been determined to be in the range of \$4,000,000. This actuarial value, including externally restricted reserves, represents the capital, in its simplest form, required to cover the shortfall between the premium income based on expected losses and expenses and losses as measured at year end. It also protects policyholders against any sudden increase in frequency or severity that could otherwise result in significant rate increases.

10. Rate stabilization reserves (continued):

- c) *The Insurance Act* of Nova Scotia requires SIP to maintain a Guarantee Fund of \$50,000 in cash or approved securities. The Act also requires SIP to maintain a Restricted Reserve Fund in cash or approved securities equal to 50% of the gross premiums receipts minus the cost of excess insurance, excluding broker fees.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

11. Commitments:

In December, 2011, SIP entered into an agreement to lease office space until 2021. SIP is also committed to various equipment leases and software maintenance agreements which expire on various dates. Minimum rent payable for each of the next three years and the Riskconnect software lease is as follows:

	Premises	Other	Total
2020	33,561	52,598	86,159
2021	22,374	52,598	74,972
2022	--	52,598	52,598

12. Capital management:

Capital is comprised of SIP's Rate Stabilization Reserves. As at March 31, 2019, SIP's capital was \$4,755,575 (2018 - \$5,025,913). SIP's objectives when managing the capital are to maintain financial strength, protect its claim paying liabilities, facilitate the prudent operation of SIP and promote long-term stability in premiums assessed to its Subscribers. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines based on risk management policies.

SIP is required to have a guaranteed reserve fund of 50% of annual premiums received minus the cost of excess insurance, excluding broker fees.

The minimum capital levels for SIP are monitored by their regulator, the Office of the Superintendent of Insurance for the Province of Nova Scotia.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (Continued)

Year ended March 31, 2019

13. Operating expenses:

	2019	2018
Salaries and contracting out	\$ 460,183	\$ 530,235
Risk	169,094	160,750
Rent and related expenses	79,906	78,293
Professional	79,110	74,359
Data	115,631	106,369
E&O coverage for staff and directors	37,000	32,983
Translation and student accident insurance promotion	14,332	6,304
Board and committee meetings	15,483	45,723
Depreciation	8,805	12,469
Office	12,600	11,939
Print and website	16,991	5,656
Telephone and communications	10,514	14,825
Professional development and dues	19,671	15,378
Other miscellaneous	6,935	22,683
	\$ 1,046,255	\$ 1,117,966

14. Key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of SIP, directly or indirectly, including the Board of Directors of SIP.

Compensation expenses related to key management personnel consisted of \$ 240,999 (2018 - \$208,234) related to salaries and other short-term employee benefits. No other benefits were paid.

Compensation expenses related to SIP's Board of Directors was \$0 (2018 - \$14,750) related to monthly stipend payments. No other benefits were paid.

15. Changes in non-cash working capital items:

	2019	2018
Loans and receivables	\$ (30,574)	\$ (114)
Excess insurance recoverable	--	--
Other assets	65,570	4,037
Accounts payable and accrued liabilities	67,679	43,369
	\$ 102,675	\$ 211,470

16. Comparative information:

These financial statements contain certain reclassifications of prior year amounts to be consistent with the current period presentation.

APPENDIX 2

SIP CELEBRATES 30 YEARS

Volume 4 • Numéro 2
SEPT. 2018

riskwrite

Les choses qui comptent pour vous et le Nova Scotia School Insurance Program

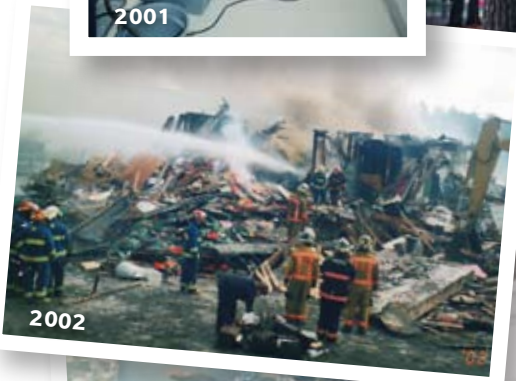
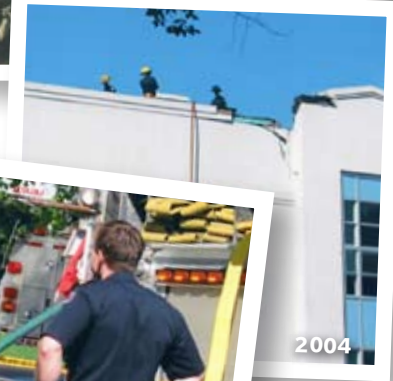
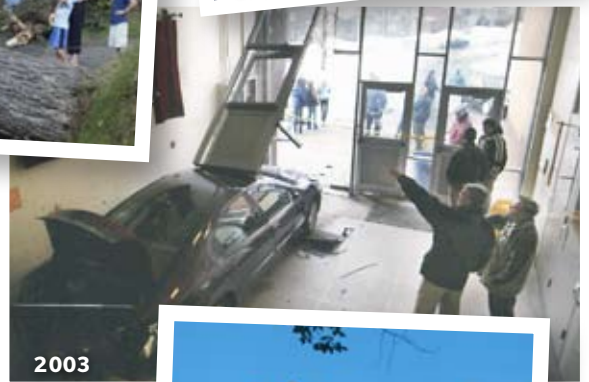
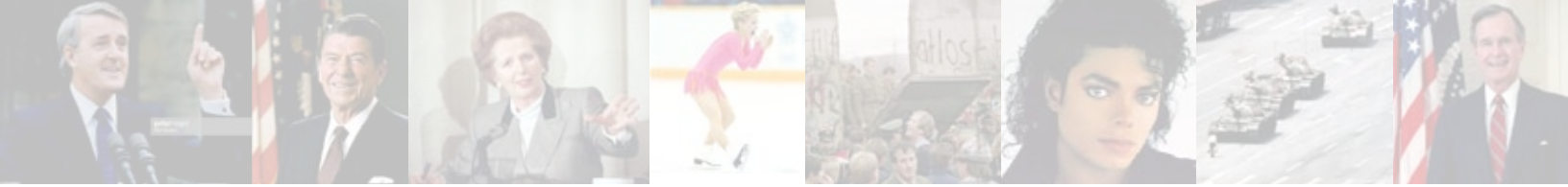


NUMÉRO SPÉCIAL
30^E
ANNIVERSAIRE

SiiP

School Insurance Program

Sans but lucratif.





30 ans de progrès



1983 – Le vérificateur général (N.-É.) recommande d'entreprendre une étude sur l'auto-assurance

Le SIP est créé en 1988

1990 – 16 mai : Piercy c. Conseil scolaire du comté de Lunenburg : la plus grande réclamation en responsabilité civile de l'histoire du SIP

1991 – 9 septembre : École secondaire de district de Pugwash : Une partie de l'école est détruite par un incendie

Création des formulaires J et K

1991 – 12 août : École secondaire régionale Parrsboro : Des dégâts des eaux sont causés par du vandalisme

Assurance-accidents pour élèves

1998 – 13 novembre : École intermédiaire Highland Park : L'étincelle de la torche d'un couvreur cause des dégâts importants à l'école

Rapports d'inspection

2000 – Création du Nova Scotia School Insurance Exchange et de la Nova Scotia School Insurance Program Association

2001 – Septembre : École secondaire Horton : de fortes pluies inondent le 1er et le 2e étages de l'école

Ligne téléphonique d'urgence 24 heures sur 24, 7 jours du 7, tenue par le personnel du SIP

2001 – Le Conseil scolaire Strait reçoit 300 000 \$ en vertu de la police vol et détournements

2003 – 13 septembre : Conseil scolaire Cape-Breton Victoria : perte totale du bâtiment de service aux installations

Séminaires et conférences

2003 – 28 octobre : Ouragan Juan : 72 réclamations, notamment celle du campus d'Akerley, dont le toit a été arraché par le vent

RiskWrite et bulletins d'information

Le Conseil d'administration du SIP s'engage à traduire en français les documents sur la gestion des risques pour les écoles du CSAP

2005 – 24 janvier : West Pubnico, les gicleurs gèlent et se brisent

Gestion du risque d'entreprise

Assurance-accidents pour bénévoles

Rapport d'incident en ligne

2006 – 14 septembre : École primaire North Queens : perte totale due à un incendie

Apprentissage communautaire – couverture spéciale pour les risques maritimes et aériens

PayPal est mis à la disposition des parents pour payer le Régime OR de l'assurance-accidents pour élèves

2008 – Décembre : St Mary's Bay Academy, dégâts des eaux dans 8 salles de classe et laboratoires de chimie

Assurance voyage guard.me

Formation en ligne de SafeSchools

Ajout de la couverture du cyber risque et du terrorisme

2016 – 22 mars : Garage d'autobus de Kennetcook, perte totale due à un incendie

Souscription d'une couverture en cas d'abus sexuel

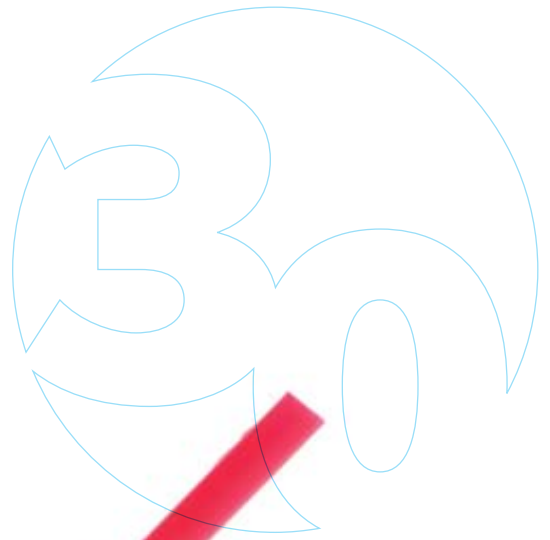
2017 – Octobre : La tempête tropicale Matthew endommage 3 écoles du Cap-Breton (CCNE, CSAP, CBVCE)

Piratage psychologique – nouvelle couverture

Petit bureau : gros travail.



Fêtons nos 30 ans!





Qu'est-ce que le SIP?

Le **School Insurance Program (SIP)** est une *bourse d'assurance réciproque*, agréée par le surintendant des assurances pour la province de Nouvelle-Écosse. Le nom officiel du **SIP** est « **Nova Scotia School Insurance Exchange** ».

ALORS...qu'est-ce qu'une bourse d'assurance réciproque?

Il s'agit d'un groupe ou d'une alliance d'organisations (p. ex. les centres pour l'éducation, le CSAP et le CCNE) qui passent un contrat mutuel pour répartir les pertes et les risques inhérents à leurs activités. La bourse d'assurance réciproque est un organisme sans but lucratif et sans personnalité morale qui est fondé sur l'accord mutuel de ses membres de contribuer aux pertes encourues par les autres membres.

Depuis combien de temps le SIP est-il en service?

Le SIP a démarré à titre de service de l'Association des conseils scolaires de la Nouvelle-Écosse en 1988. Le SIP est devenu une bourse d'assurance réciproque le 31 décembre 2000.

Quel est l'objet du SIP?

Nous fournissons des produits d'assurance de qualité spécifiques à l'éducation et des services de traitement des réclamations, de gestion des risques et de limitation des pertes à nos souscripteurs (centres pour l'éducation, CSAP et CCNE).

Quels sont les objectifs du SIP?

Nous nous efforçons de stabiliser les primes, d'aplanir les fluctuations du marché des assurances, d'améliorer la formulation de polices spécialement conçues pour la protection des établissements d'enseignement et d'apporter des avantages à nos souscripteurs grâce à la fourniture continue de services d'assurance (consultez : Que fait le SIP?).

Qui est propriétaire du SIP?

Les souscripteurs au SIP possèdent et régissent SIP.

Voici la liste des souscripteurs : Centre régional pour l'éducation Annapolis Valley, Centre régional pour l'éducation Cape-Breton Victoria, Centre régional pour l'éducation Chignecto-Central, Conseil scolaire acadien provincial, Centre régional pour l'éducation Halifax, Collège communautaire de la Nouvelle-Écosse, Centre régional pour l'éducation South Shore, Centre régional pour l'éducation Strait et Centre régional pour l'éducation Tri-County.

Que fait le SIP?

Traitement des réclamations – Le SIP traite toutes les réclamations d'assurance relatives aux biens, à la responsabilité civile et aux erreurs et omissions en vertu de la rétention auto-assurée de 250 000 \$ du SIP; fournit un service d'urgence pour les réclamations 24 h sur 24 et 7 jours sur 7.

Gestion des risques – Le SIP informe les centres pour l'éducation, le CSAP et le CCNE dans tous les domaines de la gestion des risques par le biais de bulletins RiskWrite, de séminaires, d'ateliers et de réponses quotidiennes aux demandes de renseignement des centres pour l'éducation, du CSAP et du CCNE.

Limitation des pertes – Le SIP évalue l'exposition aux risques des centres pour l'éducation, du CSAP et du CCNE et fournit une assistance.

Acquisition d'assurances – Le SIP souscrit une assurance complémentaire des biens, une assurance responsabilité civile et une assurance erreurs et omissions; il souscrit d'autres produits d'assurance spécifiques à l'éducation et aux entités publiques (p. ex. assurance flotte, assurance vol et détournements, assurance des chaudières, assurance du cyberrisque).

Surveillance du marché – Le SIP recherche et gère les informations sur les tendances actuelles du marché des assurances.

Gestion des rapports d'incident – Le SIP assure l'examen et le suivi (au besoin) des rapports d'incident reçus des écoles et des campus (environ 7 500 par an); il tient des statistiques sur tous les incidents.

Inspections – Le SIP fournit des inspections des biens et de la responsabilité civile des écoles et autres installations des centres pour l'éducation, du CSAP et du CCNE.

Assurance-accidents pour élèves – Le SIP fournit une assurance-accidents de base à tous les élèves des écoles publiques de la province sans aucun frais pour les élèves, les parents ou les écoles.

Assurance-accidents pour bénévoles – Le SIP fournit une assurance-accidents pour bénévoles à tous les bénévoles inscrits des écoles et des campus.

3 0 A N S

Avancez avec **PRUDENCE**



Le SIP fournit un service de haute qualité
parce que le strict minimum ne suffit pas.



Comment le SIP



se compare-t-il à l'industrie des assurances?

LA FAÇON DE FAIRE DE L'INDUSTRIE

Les profits l'emportent sur le progrès

Lorsque les industries sont exploitées à des fins purement lucratives, le service à la clientèle et les couvertures personnalisées disparaissent. Leur priorité absolue est de reverser des profits aux actionnaires.

L'absence de responsabilisation

« *La Nouvelle-Écosse, c'est au Canada?* »

Les grandes compagnies d'assurances font de plus en plus affaire à des centres d'appels internationaux qui traitent les réclamations en fonction de cibles de volume et non pas d'un examen individualisé des réclamations.

L'argent va surtout dans leur poche

Avez-vous jamais reçu un versement de votre compagnie d'assurance-auto? Vous n'avez eu aucun accident... Alors, où est passé l'argent?

Une compagnie axée sur le profit fournit des gains à ses actionnaires, mais pas de gains à ses clients.

Des listes à cocher

En raison du manque de responsabilisation dans le processus de réclamations, les contrôleurs cochent les cases appropriées, mais ne cherchent pas à aller plus loin en vue d'intervenir pour améliorer les résultats.

Nous ne pouvons pas faire ça

« Si ce n'est pas sur la liste, nous ne l'avons pas. »

« Si ce n'est pas dans le manuel, nous ne pouvons pas le faire. »

De nombreux assureurs sont lents à adopter les changements et maîtrisent mal la technologie. Vous devez attendre qu'ils se mettent au courant.

Motivée par les actionnaires

Vous êtes un tout petit poisson dans un très grand étang.

LA FAÇON DE FAIRE DU SIP

Le progrès l'emporte sur les profits

Since 1988, le SIP fournit fièrement un service personnalisé de haute qualité à titre d'organisme **sans but lucratif**. Au fil des ans, le SIP a continuellement amélioré votre couverture sans jamais perdre de vue vos intérêts.

Des spécialistes autonomes

Nous donnons à nos spécialistes des assurances les outils dont ils ont besoin pour réussir, y compris l'accès à des experts qui fournissent un soutien et des conseils constants pour surveiller tous les aspects de la qualité et faire de l'analyse prédictive. Nous employons des personnes de la région, hautement qualifiées et motivées, qui connaissent bien vos affaires.

L'argent retourne dans les salles de classe

Les organismes **sans but lucratif** utilisent uniquement l'argent nécessaire pour accomplir leur travail. Le SIP a restitué un montant considérable de primes aux centres pour l'éducation, au CSAP et au Collège communautaire de la Nouvelle-Écosse (CCNE).

Et voilà! Des résultats!

Grâce à notre **service de réclamations d'urgence 24 h sur 24 et 7 jours sur 7**, vous parlez directement à un spécialiste du SIP qui vous connaît et qui connaît votre école ou votre campus. La continuité des opérations est ce qui motive le traitement des réclamations et notre **objectif no 1** est d'assurer que votre école reprenne rapidement ses activités.

Une solide réflexion sur les risques

« Ça ne marche pas... Changeons-le! »

L'innovation dans la gestion des risques et l'évolution vers la technologie mobile et libre-service sont seulement deux exemples de la manière dont nos employés s'efforcent de vous aider.

Motivé par vous

Le SIP est détenu à 100 % par les centres pour l'éducation, le CSAP et le CCNE. Votre représentant au Conseil d'administration du SIP est totalement dévoué à votre réussite.



L'heure est à la protection
des enfants.

2000

Pour une couverture en **or**!





FAQ sur le SIP

et l'apprentissage communautaire

De quelle couverture d'assurance bénéficient les élèves lors d'un stage professionnel?

Le SIP a 2 types de couverture en vigueur lorsqu'un élève est en stage professionnel :

1. Assurance-accidents pour élèves

Les élèves à temps plein inscrits dans les écoles publiques de la Nouvelle-Écosse bénéficient d'une assurance-accidents sans égard à la faute pour les activités scolaires.

2. Assurance responsabilité civile

L'assurance responsabilité civile des centres pour l'éducation et du CSAP a été étendue afin de couvrir les élèves en stage professionnel en ce qui concerne la responsabilité légale, les dommages corporels et les dommages matériels à un tiers.

Qui n'est pas assuré et qu'est-ce qui n'est pas assuré?

Les personnes et activités suivantes ne sont pas assurées par le SIP :

- Les employeurs d'accueil – ils ont leur propre assurance.
- Les élèves qui manœuvrent ou conduisent des véhicules de l'employeur d'accueil.
- Les élèves se trouvant sur une embarcation participant à une course ou un concours de vitesse.
- Les élèves qui manœuvrent ou conduisent les véhicules des clients.

Le cours Fonctions d'urgence en mer est obligatoire pour les élèves travaillant sur des bateaux utilisés pour la pêche.

Le cours Fonctions d'urgence en mer (FUM) est obligatoire pour les élèves travaillant sur tous les bateaux utilisés pour la pêche. Le cours FUM est également obligatoire pour les élèves travaillant sur les bateaux suivants naviguant en eau libre ou pendant plus d'une journée :

1. Navires de la marine
2. Traversiers de la Nouvelle-Écosse
3. Garde-côtes
4. Barges
5. Bateaux d'excursion

Les élèves sont-ils autorisés à utiliser une tondeuse à gazon autoportée ou poussée lors d'un stage professionnel?

Oui, pourvu que les conditions suivantes soient remplies :

- Les élèves ont reçu une formation suffisante
- Les élèves portent un équipement de protection personnel approprié
- Les élèves portent des lunettes de sécurité
- Les élèves sont surveillés
- Les élèves portent des bottes et des pantalons longs (pas de pantalons amples).

Les élèves en stage sont-ils autorisés à manœuvrer ou à conduire des véhicules appartenant à l'employeur d'accueil et aux clients de l'employeur d'accueil?

Les élèves ne doivent pas manœuvrer ou conduire de véhicules ni de véhicules hors route. Cela comprend tous les véhicules appartenant aux employeurs d'accueil et aux clients des employeurs d'accueil.

La seule exception est la suivante : les élèves, sous la supervision de l'employeur d'accueil, peuvent manœuvrer et conduire des tracteurs agricoles ou des mini-chargeurs (bobcat) appartenant à l'employeur d'accueil. Le tracteur agricole ou le mini-chargeur (bobcat) ne doit pas être immatriculé pour l'usage routier et doit être utilisé uniquement sur des terrains privés.

Les élèves ne doivent pas conduire de tracteur ou de mini-chargeur (bobcat) sur une voie publique, ni même traverser une route.

Quel est le montant normal de couverture exigé par les employeurs d'accueil pour l'assurance responsabilité civile?

Le montant normal est compris entre 1 000 000 \$ et 2 000 000 \$.

Dans de rares cas, l'employeur d'accueil peut exiger 5 000 000 \$. Si l'employeur d'accueil n'a pas précisé le montant, indiquez 1 000 000 \$.



...FAQ

sur le **SIP** et l'apprentissage communautaire

Quel formulaire faut-il remplir en cas d'accident?

Si un accident survient au cours d'un stage professionnel, l'enseignant responsable doit remplir dès que possible un rapport d'incident en ligne du School Insurance Program; toutefois, le dépôt d'un rapport d'incident ne déclenche en aucune manière une réclamation d'assurance-accidents pour élèves. Pour faire une réclamation, **les parents doivent signaler la blessure dans les 30 jours suivant la date de l'accident** à la compagnie d'assurance-accidents pour élèves. Les coordonnées et les formulaires de réclamation sont disponibles sur sip.ca.

Devrais-je dire aux parents qu'il existe une assurance-accidents pour élèves si leur enfant est impliqué dans un accident?

Oui Dites aux parents de consulter le site Web sip.ca pour obtenir une copie de la police d'assurance-accidents pour élèves, des formulaires de réclamation et des instructions sur la façon de présenter une réclamation.

Où puis-je obtenir de plus amples renseignements sur l'assurance-accidents pour élèves?

Cliquez [ici](#) pour l'assurance-accidents pour élèves ou [ici](#) pour savoir comment faire une réclamation.

Que doivent faire les enseignants responsables de l'enseignement coopératif si l'employeur d'accueil exige que les parents signent une renonciation ou une décharge?

Le personnel du **SIP** et de l'école ne peut pas conseiller aux parents de signer ou de ne pas signer quoi que ce soit. La décision doit être prise par les parents.

Quels risques liés aux stages professionnels doivent être soumis à l'approbation du SIP?

Le **SIP** exige que les enseignants signalent certains risques au SIP afin que notre personnel puisse s'assurer que le régime d'assurance actuel couvre l'élève et la responsabilité légale du personnel scolaire, des écoles, des centres pour l'éducation et du CSAP. Ces risques sont les suivants :

- Les élèves utilisant des armes à feu
- Tous les stages professionnels effectués hors de la province de la Nouvelle-Écosse
- Tout élève qui travaillera sur un navire pendant plus de 72 heures consécutives.
- Tous les stages professionnels effectués dans les aéroports et côté piste
- Les élèves qui font un stage professionnel où l'employeur d'accueil **utilise des avions comme outils de travail**.

Par exemple, pour étudier l'impact de la coupe à blanc sur les bassins hydrographiques. Les élèves travaillant comme pilotes ou membres d'équipage ne sont **pas** couverts.

Pour ces stages, veuillez remplir et envoyer le Formulaire pour les sorties en avion ci-dessous : [Formulaire pour les sorties en avion](#)

Comment les élèves sont-ils assurés durant leurs déplacements liés au stage?

L'assurance-accidents pour élèves fournit une couverture aux élèves participant à un programme d'apprentissage communautaire, y compris lors des déplacements entrepris dans le cadre du programme et lors des déplacements directs entre leur domicile ou les bâtiments ou locaux d'un établissement du titulaire de la police et les lieux où ils doivent se rendre dans le cadre du programme.

L'expression « les déplacements directs entre leur domicile ou les bâtiments ou locaux d'un établissement du titulaire de la police et les lieux où ils doivent se rendre dans le cadre du programme » désigne tout déplacement de l'élève le long d'un parcours normal et raisonnable, sans arrêts.

La politique stipule que la couverture s'applique aussi lorsque les élèves assistent ou participent à une activité de l'établissement approuvée et supervisée par une autorité compétente de l'établissement ou un représentant désigné.

Il est entendu que les élèves qui sortent pour déjeuner ou dîner ne se trouvent plus dans les bâtiments ou locaux d'un établissement du titulaire de la police ou dans un lieu exigé par le programme et qu'ils ne participent pas non plus à une activité de l'établissement approuvée et supervisée par une autorité compétente de l'établissement ou un représentant désigné.

PleinDeBonne
IDÉES



2008



FAITS

importants au sujet des rapports d'incident

Où puis-je obtenir un formulaire de rapport d'incident?

Vous pouvez trouver ce formulaire sur sip.ca en cliquant sur le bouton **Enseignants et Personnel**.

Le nom d'utilisateur est **sip** et le mot de passe est **student**.

Cliquez sur « **Formulaires de rapport d'incident** ».

Quand faut-il remplir un rapport d'incident?

Il doit être rempli **immédiatement** lorsque des soins médicaux sont nécessaires ou s'il s'agit d'une blessure à la tête, au cou ou au dos.

Il doit être rempli **dès que possible** pour tout autre type de blessure physique ou en cas d'abus sexuel.

Qui doit remplir le rapport d'incident?

Le rapport d'incident doit être entièrement **rempli par le personnel**, et non pas par la partie lésée. Une copie doit être remise à la directrice ou au directeur de l'école.

Si un rapport d'incident est déposé, cela déclenche-t-il automatiquement une réclamation d'assurance-accidents des élèves?

Non. La préparation et le dépôt d'un rapport d'incident ne déclenchent en aucune façon une réclamation d'assurance-accidents des élèves. Demandez aux parents de consulter l'information sur l'assurance-accidents des élèves sur le site Web du **SIP**, sous la rubrique **Élèves et Parents**.

Les parents doivent-ils signaler la blessure à la compagnie d'assurance-accidents des élèves même si un rapport d'incident a été rempli par l'école?

Oui! Afin de faire une réclamation d'assurance-accidents des élèves, les parents doivent signaler la blessure dans les 30 jours suivant l'accident à la compagnie d'assurance-accidents des élèves. Les coordonnées sont disponibles sur sip.ca

Le formulaire de rapport d'incident destiné au SIP doit-il être rempli uniquement en cas d'accident concernant un élève

Le formulaire de rapport d'incident en ligne doit être rempli **en cas d'accident concernant les élèves, les bénévoles, les employés et les visiteurs de l'école.**

Il doit être rempli pour tout accident touchant une personne blessée dans l'enceinte de l'école **ou** dans le cadre de sa participation à une activité scolaire (qu'elle ait lieu **à l'intérieur ou à l'extérieur** de l'école).

Puis-je remettre une copie du formulaire de rapport d'incident à la personne blessée?

Non, il s'agit d'un formulaire du **SIP**, et non pas d'un formulaire des centres régionaux pour l'éducation, du CSAP et du CCNE. Il est utilisé par le SIP à des fins statistiques et ne devrait **jamais** être remis à la personne blessée ou à son représentant.

Est-il acceptable de demander à la personne blessée de remplir le formulaire de rapport d'incident?

Non! Ce formulaire ne doit jamais être rempli par la partie lésée. Il doit être rempli par un employé de l'école chargé de signaler l'incident.

Si vous avez des questions concernant la manière de traiter ou de remplir les formulaires de rapport d'incident du **SIP**, veuillez envoyer vos questions à mail@sip.ca



2013

STOP FRAGILE



WIRE GLASS IS **NOT** SHATTERPROOF

SIP
School Injuries Program

DANGER

LE VERRE ARMÉ **N'EST PAS** INCASSABLE



Des nouvelles au sujet d'une réclamation

Le 4 février 2004, un élève de la South Colchester Academy s'est servi d'un briquet pour déclencher le système de gicleurs, ce qui a endommagé les carreaux de plafond, des ordinateurs et un photocopieur. Le coût total de la réclamation, y compris la franchise du conseil scolaire, s'élevait à **10 461,64 \$**. En avril 2004, notre expert en assurances a informé les parents de l'élève que le **SIP** chercherait à obtenir le remboursement des dommages.

Les discussions entre l'expert du **SIP**, l'élève et ses parents ont abouti à un accord selon lequel ils signeraient un billet à ordre et fourniraient des chèques postdatés pour le montant dû, sans intérêts, afin de rembourser le conseil scolaire et le **SIP** pour les dommages causés. L'élève a eu 19 ans en février 2005 et le billet à ordre a été émis en mars 2005. Une réunion prévue en avril 2005, en vue de recueillir les signatures et les chèques postdatés, a dû être annulée en attendant que le nombre requis de chèques puisse être obtenu par l'élève de son institution financière.

D'autres tentatives visant à obtenir les signatures et les chèques se sont heurtées à une résistance et sont finalement restées sans réponse. En octobre 2005, un avocat adjoint de Stewart McKelvey, travaillant pour le compte du **SIP**, a déposé une demande d'indemnisation devant la Cour des petites créances, qui s'est achevée en novembre 2005, la date du procès étant prévue en janvier 2006. Aucune défense n'ayant été déposée, nous avons demandé un jugement rapide, avec succès. Le **SIP** a reçu une ordonnance de paiement d'un montant de 10 713,64 \$ qui comprenait un dédommagement des frais de justice d'un montant de 252 \$.

En date du 20 mars 2018, le jugement a été exécuté et le Centre pour l'éducation a reçu le remboursement de sa franchise de 5 000 \$.



VISONS L'OR

Vous pouvez aider à remettre de l'argent dans la classe!

C'est simple : Votre école recevra **2 \$** pour chaque **Régime OR*** vendu durant l'année scolaire 2018/2019.

Non seulement les élèves seront mieux protégés contre les accidents à l'école, mais vous recevrez de l'argent à utiliser comme bon vous semble. Tout le monde y gagne.

Pour des informations plus détaillées sur le **Régime OR**, veuillez visiter sip.ca ou appeler sans frais le : **1.855.480.2170**



SIP
School Insurance Program

Nous appartenons à **100 %** aux centres régionaux d'éducation, au Conseil scolaire acadien provincial et au Collège communautaire de la Nouvelle-Écosse et nous travaillons purement dans **votre** intérêt.

Sans but lucratif

* Le **Régime OR** offre une couverture **24 h** sur **24** et **7** jours sur **7**, y compris durant les vacances d'été et coûte seulement **14 \$** (1 élève) • **28 \$** (2 élèves) • **35 \$** (3 élèves ou plus)

Mise à jour de *SafeSchools*

Le **SIP** a le plaisir de signaler qu'il y a maintenant des cours **conçus spécialement** pour les écoles de la Nouvelle-Écosse (*lien en anglais seulement*) :

Sécurité incendie : Administrateurs (Nouvelle-Écosse):
Comité pour la sécurité des écoles – 26 minutes

Sécurité incendie : Personnel (Nouvelle-Écosse):
Comité pour la sécurité des écoles – 17 minutes

Sécurité des hottes chimiques
Comité pour la sécurité des écoles – 20 minutes

Aperçu de la cybersécurité
Pete Just – 13 minutes

Pour obtenir votre mot de passe
pour **SafeSchools**, contactez
le **SIP** à safeschool@sip.ca



SafeSchools

Formation en ligne pour vos employés,
présentée avec les compliments du **SIP**.

Le School Insurance Program a le plaisir d'annoncer un autre service à valeur ajoutée du **SIP**, appelé **formation en ligne SafeSchools**. Les cours **SafeSchools** sont spécialement conçus pour les employés des écoles. Les cours de formation sont tous créés par des experts scolaires et sont disponibles sur tout appareil – ordinateurs, iPad et même smartphones – disposant d'un accès Internet.

Tous les centres pour l'éducation participants, le CSAP et le Collège communautaire de la Nouvelle-Écosse auront leur propre site de formation **SafeSchools**. La formation **SafeSchools** permet de suivre des formations en groupe dirigées par un instructeur et des formations individuelles en ligne. Les centres pour l'éducation, le CSAP et le CCNE peuvent même télécharger leurs politiques et surveiller si elles sont observées. Les administrateurs pourront bénéficier de rapports périodiques en temps réel par les écoles et même à l'échelle du système.

Bien que **SafeSchools** soit nouveau au Canada et s'occupe de localiser rapidement bon nombre de ses cours, beaucoup de cours sont déjà prêts pour vous aujourd'hui! Il y a aussi des cours en français et d'autres sont en préparation.

Nous sommes persuadés que ce sera une excellente ressource pour tous les employés des conseils scolaires et du collège, et que vos élèves bénéficieront ainsi d'un environnement plus sûr. **Le programme est disponible immédiatement.**

Formation SafeSchools

Si vous souhaitez suivre l'un de ces cours en ligne, veuillez communiquer avec le **SIP** pour obtenir un nom d'utilisateur à safeschools@sip.ca (*disponible en français*)

1. **Soulèvement d'objets et blessures au dos: Complet** Lisa Yu • 17 min
2. **Password Security Basics** Pete Just • 7 min
3. **General Safety Orientation** (Nova Scotia)
Nova Scotia Safety for Schools Committee • 23 min
4. **Joint Occupational Health & Safety Committee** (Nova Scotia)
Nova Scotia Safety for Schools Committee • 44 min
5. **Ladder Safety** (Nova Scotia) Garry Alderich • 21 min
6. **Sécurité au laboratoire de sciences** Kirt Poulsen • 23 min
7. **Déversements chimiques au laboratoire de sciences**
Linda Stroud • 30 min
8. **Glissades, trébuchements et chutes: Complet** Vaughn & Sommer • 17 min
9. **Concussion Awareness: Athletics** Brent George • 17 min
10. **Urgences médicales : l'asthme** (Loi de Ryan) Carol Jones • 16 min
11. **Urgences médicales : l'anaphylaxie** (Loi de Sabrina)
Carol Jones • 14 min
12. **Students Mental Health** Dr. Bonnie • 21 min
13. **SIP: Claims Lessons Learned from 20 Years** SIP • 58 min
14. **Food Safety & Kitchen Sanitation** Art Dunham • 14 min
15. **Arson Awareness & Prevention** George Phelps • 22 min
16. **Intimidation : Reconnaître et réagir: Complet**
Gergin & Roher • 44 minutes
17. **Making Schools Safe for LGBT Students** Mattice & Meyer • 20 min
18. **Playground Supervision** Susan Hudson • 16 min
19. **Self-Injury and Cutting** Dr. Scott Poland • 18 min
20. **Sport Supervision & Safety** Dr. Charles LeRoy • 22 min
21. **Crossing Guard Safety** Staff • 11 min
22. **Conduite préventive** Patrick Fitzpatrick • 18 min
23. **Defensive Driving** Patrick Fitzpatrick • 11 min
24. **Van Safety** Staff • 21 min
25. **Winter Driving** Patrick Fitzpatrick • 15 min
26. **Classroom Safety** (Nova Scotia)
Nova Scotia Safety for Schools Committee • 15 min

SafeSchools est un autre service à valeur ajoutée du **SIP**. Ses cours de formation sont conçus spécifiquement pour les employés d'école. Les cours sont tous préparés par des experts scolaires et sont offerts à partir de tout appareil relié à Internet : les ordinateurs, les iPads et même les téléphones intelligents ayant accès à Internet.

In memoriam

Betty Diane McRae de Dartmouth, âgée de 69 ans, est décédée le 12 août 2018 à l'Hôpital général de Dartmouth. Née à Truro, elle était la fille d'Eric et Luella (McFadden) McRae. Elle laisse dans le deuil sa fille Tara Burke; deux frères, Randy (Heather) McRae et Bruce McRae; sa petite-fille Amelia et son neveu Scott. Ses parents et son ex-mari Brian MacPhee étaient décédés antérieurement.

Diane est décédée subitement le 12 août, entourée de ses êtres chers. Diane a vécu une vie merveilleuse, pleine d'aventures, accompagnée de sa famille et de ses amis. Elle était née à Truro, en Nouvelle-Écosse et était la fille de Luella McFadden et d'Eric McRae. Elle a grandi à Truro et à Bible Hill avec ses deux frères, Randy et Bruce. Elle a beaucoup voyagé partout au Canada et dans les îles Britanniques et aimait partager ces souvenirs. Elle avait de nombreuses passions, notamment la musique, l'art, la comédie et le théâtre.

Elle a mené une brillante carrière de 35 ans dans le secteur des assurances et de la gestion des risques auprès du Nova Scotia School Insurance Exchange, où elle occupait fièrement le poste de directrice générale. Sa passion et son engagement à l'égard de ce programme étaient évidents pour tous ceux qui ont travaillé avec elle tout au long de sa carrière. Diane a reçu son MBA de l'Université St. Mary et a également obtenu le titre de Certified Risk Manager (gestionnaire des risques agréé). Elle était membre de l'Institut d'assurance du Canada et du Risk Management Institute.

Elle tirait une fierté et une joie indéniables de son étroite relation avec sa fille Tara et sa petite-fille Amelia. C'était une personne gentille et bienveillante et on se souviendra toujours d'elle pour sa nature enjouée, son esprit vif et son sens de l'humour. Elle était une passionnée des animaux, et particulièrement soucieuse du bien-être des chiens et des chats. Elle vivra pour toujours dans les cœurs et la mémoire de ceux qui ont eu la chance de la connaître.



Betty Diane McRae
13 octobre 1948 – 12 août 2018

Membres du personnel



Lee-Anne Dauphinee CIP CRM
Gestionnaire des risques

lee-anne.dauphinee@sip.ca

Bureau 902.480.2171

Cellulaire 902.452.6173

Lee-Anne assure la gestion des risques, la limitation des pertes et le service d'achat et de renouvellement d'assurance aux souscripteurs du SIP.



Cindy Norrad CPA CGA CRM
Contrôleuse

cindy.norrad@sip.ca

Bureau 902.480.2177

Cellulaire 902.499.0426

Cindy gère les finances du SIP et s'occupe également de l'approvisionnement.



Meagan Spicer
Adjointe à la gestion des risques

meagan.spicer@sip.ca

Bureau 902.480.2170

Cellulaire 902.430.9781

Meagan fournit un soutien administratif au personnel du bureau et travaille en étroite collaboration avec la gestionnaire des risques.



Rebekah Tingley
Adjointe à la gestion des risques

rebekah.tingley@sip.ca

Bureau 902.480.2172

Cellulaire 902.830.2178

Rebekah aide la gestionnaire des risques et répond aux demandes de renseignements sur les excursions et les activités scolaires.



Valencia Forrest
Adjointe aux réclamations

valencia.forrest@sip.ca

Bureau 902.480.2174

Cellulaire 902.229.3262

Valencia gère les réclamations, le programme d'assurance-accidents pour élèves et répond aux demandes d'attestation d'assurance.



Dawn Graves
Adjointe administrative

dawn.graves@sip.ca

Bureau 902.480.2178

Cellulaire 902.719.7008

Dawn fournit un soutien administratif au personnel de bureau et travaille en étroite collaboration avec la directrice générale.



Coordonnées du bureau

Réception 902.480.2170

Sans frais 855.480.2170

Télécopieur 902.480.2179

Courriel mail@sip.ca

www.sip.ca

Conseil d'administration

2018-2019

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Présidente
Conseil scolaire acadien provincial

William « Bill » Strubank

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Halifax



Urgences
24 h sur 24/7 jours sur 7
902.448.2840

Légalités

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Disponible en anglais à sip.ca