School Insurance Program

Nova Scotia School Insurance Program

2023 Annual Report

PROGRESS. NOT PROFITS.

2023 ANNUAL REPORT
NOVA SCOTIA SCHOOL INSURANCE PROGRAM

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☙ SIP OVERVIEW ☙

The Nova Scotia School Insurance Program (SIP) is a reciprocal insurance exchange, licenced by the Superintendent of Insurance for the Province of Nova Scotia. The official name of SIP is the Nova Scotia School Insurance Exchange.

SIP is a not-for-profit organization owned and operated by the seven Regional Centres for Education of Nova Scotia, the Conseil scolaire acadien provincial, and the Nova Scotia Community College. SIP secures Subscribers with the ability to efficiently retain appropriate levels of risk and economically transfer non-retained risk to the insurance market through leveraging economies of scale. Stabilizing Subscriber premiums year over year and leveling out the highs and lows of the traditional insurance hard market/soft market cycles remains a key focus.

The mandate of SIP is to provide education-specific insurance solutions, claims administration/settlement, and risk management services to the Regional Centres for Education, CSAP and the NSCC.

SIP's scope of operations include:

- Claims investigation, management, and settlement
- Risk management
- Loss control
- Insurance procurement (excess policies)
- Insurance market watch/intelligence
- Incident reports management
- School Inspections
- Student accident insurance
- Volunteer accident insurance
- Subscriber advocacy on all risk and claims-related matters

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MISSION STATEMENT

SIP IS A NON-PROFIT INSURANCE EXCHANGE, COMMITTED TO PROVIDING QUALITY INSURANCE SERVICES TO THE NOVA SCOTIA CENTRES FOR EDUCATION, THE CONSEIL SCOLAIRE ACADIEN PROVINCIAL, AND THE NOVA SCOTIA COMMUNITY COLLEGE SYSTEM.

The Reciprocal Advantage

- Direct access to risk management and claims management expert advice
- Personalized service delivered to the Nova Scotia public education sector
- Pooling of Nova Scotia education risk profiles to leverage economies of scale, efficiently retain appropriate levels of risk and transfer unwanted risk to the insurance market in the most cost-effective manner
- Input and governance through representation at the Board of Directors level

2023 SIP BOARD OF DIRECTORS

A nine-member Board of Directors is responsible for the governance of the School Insurance Program. Our Subscribers appoint a representative from each Centre of Education/CSAP/and the NSCC. SIP's Board of Directors for the 2022-2023 year was:


Chris Grover CPA, CGA

Board Chair

Director of Finance

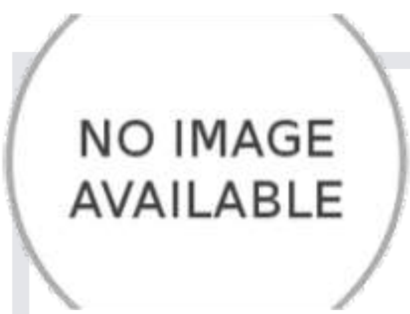
Strait Regional Centre for Education


Bill Strubank B.Sc.

Board Vice-Chair

Manager of Health & Safety Environmental Services

nscc
Nova Scotia Community College



Craig Crosby

Board Member

Director of Operations

Tri-County Regional Centre for Education

2023 SIP BOARD OF DIRECTORS

Tiffany Joudrey CPA, CGA

Board Member

Director of Finance

South Shore Regional Centre for Education

Lewis MacDonald P.Eng., PMP

Board Member

Director of Operations

Cape Breton-Victoria Regional Centre for Education

Pat Murphy B. Ed., M. Ed.

Board Member

Director of Programs & Student Services

Annapolis Valley Regional Centre for Education

2023 SIP BOARD OF DIRECTORS

Meaghen Powell, CPA

Board Member

Director of Finance

Halifax Regional Centre for Education

Janine Saulnier, B.Sc., MBA

Board Member

Director of Finance & Treasurer

CSAP Conseil scolaire acadien provincial

Jessie Taggart, B.Sc.

Board Member

Director of Human Resources

Chignecto Central Regional Centre for Education

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MESSAGE FROM THE CHAIR AND CEO

We are pleased to present SIP's 2022/2023 Annual Report.

SIP worked diligently this past year to deliver risk management, claims and insurance services, addressing the needs of our Subscribers.

Operations were challenged over the year as claims incurred under SIP's **Property Insurance Program** reached unprecedented levels. September 2022 saw many school locations throughout the province damaged by Hurricane Fiona while February 2023 brought the Polar Vortex freezing event. This second catastrophic event caused multiple school locations to suffer severe damage from plumbing freezing/rupture/water escape.

It was yet another year of frequent and severe property claims. The past few years can bring no doubt as to how climate change will present ongoing challenges to our insurance program.

Property claims occurrences also highlighted the affect systemic inflation has on increasing claims costs.

SIP's claims experience under the Property Insurance Program was the prime driver behind SIP's financial results for the year.

SIP's **General Liability** and **Educational Errors and Omissions Insurance Programs** continued to follow historic trends with no areas of concern.

SIP staff and Board of Directors will continue the work necessary to ensure SIP remains a trusted insurance reciprocal partner for our Subscribers for the years ahead.

Chris Grover, Chair

Bruce Macdonald, CEO

The Board of Directors successfully concluded several matters during the year including the following:

- Public Request for Proposal and Appointment of Property and Liability Insurance and Loss Control Inspection Survey Services Provider
- SIP's year-end received an unqualified opinion from its actuary JSCP
- Audited Financial Statements (Annual)
- SIP's year-end received an unqualified opinion from its auditor KPMG
- As of March 31, 2023, the value of total open claims was $4,574,870
- 2023 claims liabilities were $6,347,000, an increase of $1,730,000 from 2022
- Year-end Rate Stabilization Reserves were $2,704,672; $895,328

  below the actuary's recommended level of $3,600,000.
- For the fiscal year 2022-2023, the Board of Directors increased Subscriber premiums to restore Rate Stabilization Reserves to the actuary's recommended level. Unfortunately, claims activity well beyond expectations resulted in a Rate Stabilization Reserve that remains significantly below the actuary-recommended level. The Board of Directors will undertake strategic considerations to return the Rate Stabilization Reserve to the recommended level.
- SIP's Annual General Meeting was held June 2023

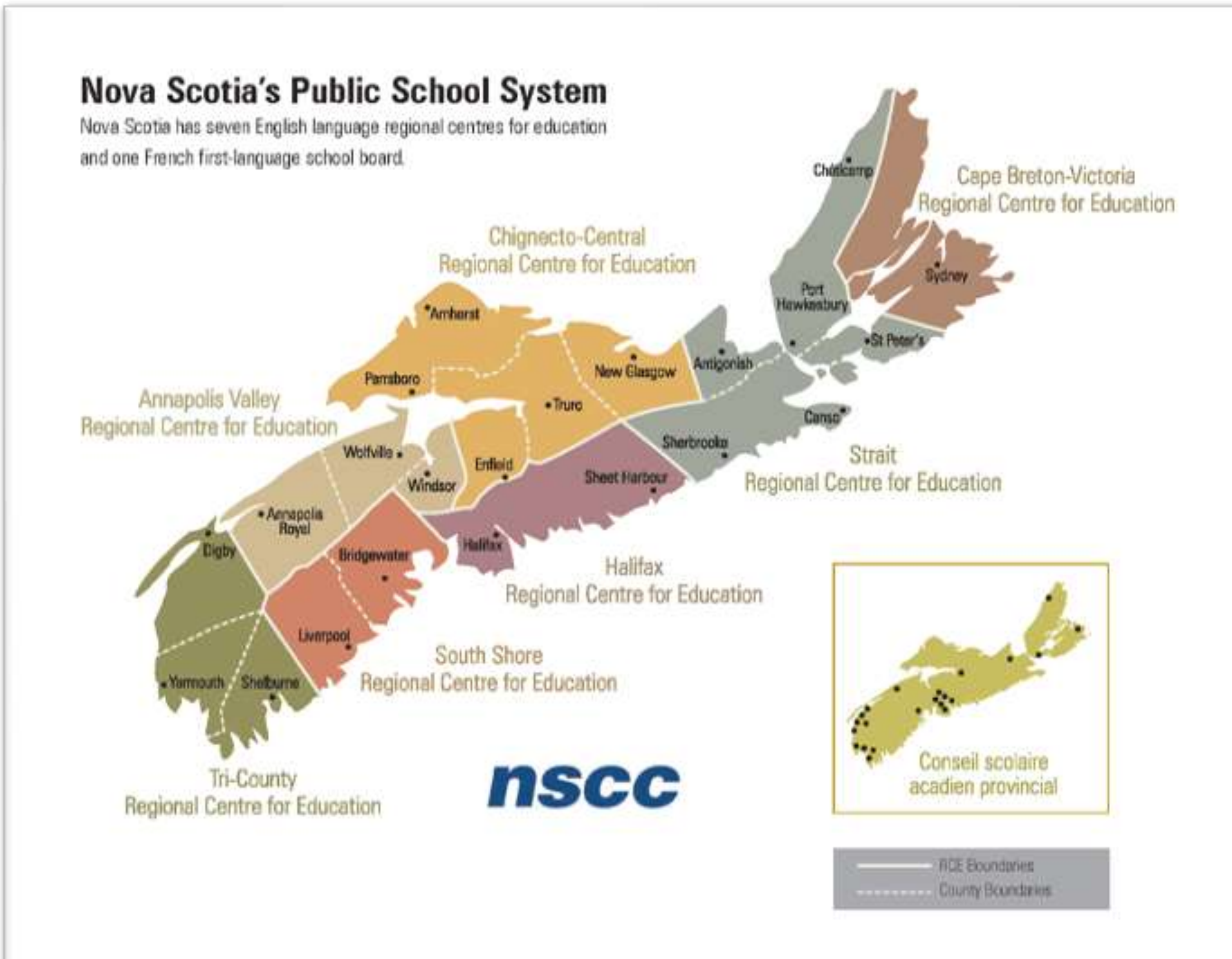
The SIP Board was pleased to welcome two new Directors in 2022/2023 - Lewis MacDonald and Jessi Taggart. Lewis comes to us from the Cape Breton Regional Centre for Education, and Jessi represents the Chignecto-Central Regional Centre for Education.

The SIP Board had two Directors leave in the past year: Wendy King and Herb Steeves. We wish Wendy and Herb all the best in their future endeavours.

Thanks to our Subscribers for their continued support of the reciprocal program and our staff for their ongoing dedication to our Subscribers.

SUBSCRIBERS

- Annapolis Valley Regional Centre for Education
- Cape Breton-Victoria Regional Centre for Education
- Chignecto-Central Regional Centre for Education
- Conseil scolaire acadien provincial
- Halifax Regional Centre for Education
- Nova Scotia Community College
- South Shore Regional Centre for Education
- Strait Regional Centre for Education
- Tri-County Regional Centre for Education



SIP LEADERSHIP

The management of SIP is the responsibility of staff. The following staff members were in place in the 2022-2023 year.

Bruce Macdonald, **BBA, CIP**
Chief Executive Officer

Bruce plans, organizes, manages, and evaluates the operations of SIP in accordance with objectives established by the Board of Directors.

Lee-Anne Dauphinee, **CRM, CIP**
Risk Manager

Lee-Anne provides risk management, loss control, and insurance procurement service to Subscribers.

Cindy Norrad, **CPA, CGA, CRM**
Controller

Cindy manages the finances of SIP, reports to the Board of Directors, the Superintendent of Insurance, and engages in procurement.

SIP LEADERSHIP

The management of SIP is the responsibility of staff. The following staff members were in place in the 2022-2023 year.

Dawn Graves
Executive Assistant

Dawn provides support to the CEO, works closely with the Board of Directors, and provides administrative support to staff.

Rebekah Tingley, CRM, CIP

Risk Management and Insurance Analyst

Rebekah provides support to the Risk Manager, works closely with Subscribers on risk management-related matters and exposure data collection

Meagan Spicer
Claims Administrator

Meagan handles claims, the student accident program, certificate of insurance requests, and provides administrative support to staff.

Valencia Forrest
Claims Administrator

Valencia handles claims, the student accident program, certificate of insurance requests, and provides administrative support to staff.

APPENDIX 1

2023 Audited Financial Statements

Combined Financial Statements of

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

And Independent Auditor's Report thereon

Year ended March 31, 2023

KPMG LLP
Purdy's Wharf Tower One
1959 Upper Water Street, Suite 1000
Halifax NS B3J 3N2
Canada
Tel 902-492-6000
Fax 902-429-1307

INDEPENDENT AUDITOR'S REPORT

To the Subscribers of Nova Scotia School Insurance Program

Opinion

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

- the combined statement of financial position as at March 31, 2023
- the combined statement of income for the year then ended
- the combined statement of comprehensive income (loss) 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, 2023, 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 "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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 auditor's 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 auditor's 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 auditor's 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.

Auditor's 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 auditor's 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 auditor's 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 auditor's 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.

KPMG LLP

Chartered Professional Accountants

Halifax, Canada

June 30, 2023

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Financial Position

As at March 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Cash and cash equivalents	$ 3,729,517	$ 6,348,866
Investments (note 4)	5,830,505	5,889,019
Excess insurance recoverable (note 9)	1,343,906	–
Prepaid premiums	2,432,896	2,161,878
Other assets	211,021	103,220
Right of use asset (note 5)	364,974	404,789
Property and equipment (note 6)	30,295	22,340
Total assets	$ 13,943,114	$ 14,930,112
Liabilities		
Accounts payable and accrued liabilities	$ 284,005	$ 691,414
Lease liability (note 7)	402,761	427,937
Premiums received in advance	4,101,411	6,255,788
Claims liabilities (note 9)	6,347,000	4,617,000
Total liabilities	11,135,177	11,992,139
Subscribers' reserves:		
Rate stabilization reserves (note 12)	2,704,672	2,626,701
Accumulated other comprehensive income	103,265	311,272
	2,807,937	2,937,973
Total liabilities and reserves	$ 13,943,114	$ 14,930,112

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, 2023, with comparative information for 2022

		2023		2022
Insurance activity				
Written premiums				
Gross premiums	$	12,663,538	$	9,058,061
Underwriting premiums		(9,758,257)		(8,362,640)
Net premiums earned		2,905,281		695,421
Claims paid		1,497,268		1,267,498
Claims liabilities (note 9)		444,000		1,099,000
Net claims		1,941,268		2,366,498
Premiums in excess of claims (claims in excess of premiums)		964,013		(1,671,077)
Investment activity				
Investment income (note 4(b))		277,758		384,097
Investment management fees		(31,608)		(35,022)
Net investment income		246,150		349,075
Other expenses				
Insurance operating expenses		29,224		594
Operating expenses (note 14)		1,102,968		1,034,734
Total other expenses		1,132,192		1,035,328
Net income (loss)	$	77,971	$	(2,357,330)

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Comprehensive Income (Loss)

Year ended March 31, 2023, with comparative information for 2022

		2023		2022
Net income (loss)	$	77,971	$	(2,357,330)
Available-for-sale financial assets:				
Unrealized gain on available-for-sale financial assets		(230,760)		(31,751)
Reclassification adjustments:				
Realized loss (gain) on disposal of available-for-sale financial assets		22,753		(208,505)
Total other comprehensive loss		(208,007)		(240,256)
Comprehensive loss	$	(130,036)	$	(2,597,586)

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Changes in Reserves

Year ended March 31, 2023, with comparative information for 2022

	Rate Stabilization Reserves	Accumulated Other Comprehensive Income	Total
Balance, March 31, 2021	$ 4,984,031	$ 551,528	$ 5,535,559
Net loss	(2,357,330)	–	(2,357,330)
Other comprehensive loss	–	(240,256)	(240,256)
Balance, March 31, 2022	2,626,701	311,272	2,937,973
Net income	77,971	–	77,971
Other comprehensive loss	–	(208,007)	(208,007)
Balance, March 31, 2023	$ 2,704,672	$ 103,265	$ 2,807,937

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Net income (loss)	$ 77,971	$ (2,357,330)
Items not involving cash:		
Depreciation of property and equipment	11,268	9,158
Depreciation of premise lease	39,815	16,590
Accretion expense of premise lease	15,550	6,558
Gain on sale of property and equipment	–	(165)
Investment income	(277,758)	(384,097)
IBNR reserve change	184,849	50,376
Reserve adjustments	1,545,151	1,035,624
Change in non-cash working capital (note 16)	(2,130,134)	(716,681)
Proceeds from interest income	91,137	17,949
Proceeds from dividend income	186,551	151,130
(Decrease) increase in premiums received in advance	(2,154,377)	1,774,970
	(2,409,977)	(395,918)
Investments:		
Bonds purchased	(985,873)	(586,320)
Equities purchased	(98,809)	(45,400)
Proceeds from sale of bonds	798,767	1,325,093
Proceeds from sale of equities	136,493	631,219
Proceeds from sale of property and equipment	–	165
Additions to property and equipment	(19,224)	(21,960)
	(168,646)	1,302,797
Financing:		
Repayment of lease liability	(25,176)	–
Interest payment	(15,550)	–
	(40,726)	–
(Decrease) increase in cash	(2,619,349)	906,879
Cash and cash equivalents, beginning of year	6,348,866	5,441,987
Cash and cash equivalents, end of year	$ 3,729,517	$ 6,348,866

See accompanying notes to combined financial statements.

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 100, Park Place II, 238A Brownlow Avenue, 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 June 30, 2023.

(b) Basis of combination:

The combined financial statements reflect all the assets, liabilities, revenue, expenses, and cash flows of 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.

1. Basis of preparation (continued):

(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).

(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:

Subscriber premiums are earned over the term of the policies for their periods which do not exceed one year. Policy terms are aligned with the Entity's fiscal year with the exception of certain policies which run from July 1 to July 1. Unearned premiums for policies that do not align with the Entity's fiscal year are grouped with premiums received in advance. Premiums received in advance relate to premiums received in the current year for the fiscal year 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.

2. **Significant accounting policies (continued):**

(b) Financial assets and liabilities (continued):

(i) Financial assets (continued):

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.

(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.

2. Significant accounting policies (continued):

(b) Financial assets and liabilities (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
Website Development	2 years

(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.

2. Significant accounting policies (continued):

(d) Claims liabilities (continued):

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.

(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.

2. Significant accounting policies (continued):

(i) Leases

SIP recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to SIP by the end of the lease term, or the cost of the right-of-use asset reflects that SIP will exercise a purchase option. In that case, the right-of-use asset will be amortized over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot readily be determined, SIP's borrowing rate. Generally, SIP uses its incremental borrowing rate as the discount rate.

SIP determines its incremental borrowing rate by obtaining interest rates from various external financial sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments;
- the exercise price under a purchase option that SIP is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless SIP is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate. If there is a change in SIP's estimate of the amount expected to be payable under a residual value guarantee, or if SIP changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease is remeasured in this was a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leases with a term less than twelve months or of a low value are expensed as incurred.

2. Significant accounting policies (continued):

(j) 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 an 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.

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.

2. Significant accounting policies (continued):

(j) Impairment (continued):

(ii) Non-financial assets (continued):

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.

(k) 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.

2. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted:

(i) IFRS 17, "Insurance Contracts":

On May 18, 2017, the IASB issued IFRS 17 Insurance Contracts ("IFRS 17"). On June 25, 2020, the IASB issued amendments to IFRS 17 aimed at helping entities implement the standard and to defer the effective date. The new standard is effective for annual periods beginning on or after January 1, 2023. IFRS 17 will replace IFRS 4, Insurance Contracts. On December 9, 2021, the IASB issued a narrow scope amendment to the transition requirements in IFRS 17, providing insurers with an option aimed at improving the usefulness of information to investors on initial application of IFRS 17 by presenting comparative information about financial assets, using a classification overlay approach on a basis that is more consistent with how IFRS 9 will be applied in future reporting periods. The new standard and its amendments are effective for annual periods beginning on or after January 1, 2023. 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, 2023. The extent of the impact of adoption of the standard has been determined to be not material to the measurement of the claims liabilities however the presentation and disclosure related to financial instruments will differ on adoption.

(ii) IFRS 9, Financial Instruments:

In July 2014, the IASB issued the complete amended IFRS 9, Financial Instruments ("IFRS 9"). 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 in 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.

2. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted (continued):

(ii) IFRS 9, Financial Instruments (continued):

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.

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, 2019, and IFRS 17, effective January 1, 2023:

- 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, 2023.

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.

2. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted (continued):

(ii) IFRS 9, Financial Instruments (continued):

At April 1, 2018, SIP elected to apply the optional transitional relief under IFRS 4 that permits the deferral of the adoption of IFRS 9 for eligible insurers. SIP intends to adopt IFRS 9 in its financial statements for the annual period beginning on April 1, 2023. The extent of the impact of adoption of the standard has been determined to be not material to the measurement of the financial instruments however the presentation and disclosure related to financial instruments will differ on adoption.

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.

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, J.S. Chang & Partners Inc., 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:

	2023	2022
Fixed income:		
Pooled bond funds units:		
Government	$ 563,324	$ 700,103
Corporate	1,719,235	1,689,098
Other	2,124,521	1,952,536
Equities:		
Common shares	567,898	601,621
Mutual and pooled funds units	855,527	945,661
	$ 5,830,505	$ 5,889,019

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.

4. Investments (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, 2023, assuming bonds are not liquidated prior to maturity is as follows:

Government pooled bond funds units	5.2 years
Corporate pooled bond funds units	4.4 years
Other pooled bond funds units	7.5 years

The weighted average yield for debt securities based on market value at March 31, 2023 is 3.7% (March 31, 2022 - 1.7%).

(b) Investment and other income:

	2023	2022
Interest	$ 101,492	$ 12,460
Dividends	199,019	163,132
(Loss) gain on sale of investments	(22,753)	208,505
	$ 277,758	$ 384,097

Dividends includes re-invested dividends of $20,197 (2022 - $12,951) related to mutual funds and short-term investments.

5. Right of use asset:

	2023	2022
Balance, April 1	$ 404,789	$ –
Additions	–	421,379
Amortization	(39,815)	(16,590)
Balance, March 31	$ 364,974	$ 404,789

6. Property and equipment:

	Furniture And Equipment	Computer hardware	Leasehold improvements	Website	Total costs
Balance, March 31, 2022	$ 80,326	$ 27,754	$ 18,227	$ –	$ 126,307
Additions	1,278	6,964	7,056	3,924	19,222
Disposals	–	–	(6,831)	–	(6,831)
Balance, March 31, 2023	81,604	34,718	18,452	3,924	138,698
Accumulated depreciation:					
Balance, March 31, 2022	70,589	24,277	9,101	–	103,967
Depreciation for the year	4,004	5,753	1,020	490	11,267
Disposals	–	–	(6,831)	–	(6,831)
Balance, March 31, 2022	74,593	30,030	3,290	490	108,403
Net book value:					
Balance, March 31, 2022	$ 9,737	$ 3,477	$ 9,126	$ –	$ 22,340
Balance, March 31, 2023	$ 7,011	$ 4,688	$ 15,162	$ 3,434	$ 30,295

7. Lease liability:

	2023	2022
Balance, April 1	$ 427,937	$ –
Lease liability for assets acquired under lease	–	421,379
Interest expense on lease liability	15,550	6,558
Repayment of lease liability	(40,726)	–
Balance, March 31	$ 402,761	$ 427,937

7. Lease liability (continued):

The contractual payments for the lease liability are due as follows:

		2023		2022
Due within one year	$	46,331	$	40,726
Due in one to two years		52,508		46,331
Due in two to five years		159,209		158,647
Due in over five years		218,445		271,615
Balance, March 31	$	476,493	$	517,319

8. Limits of liability:

(a) 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 2023 and 2022.

(b) Property insurance:

The limit of liability for property insurance is a maximum amount of any one loss of $500,000 ($500,000 – 2022) subject to a policy annual aggregate of $1.5 million ($1.5 million – 2022). The Subscriber pre-entry deductible is $5,000. These policy liability limits were in effect for fiscal years 2023 and 2022.

(c) 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 2023 and 2022.

9. 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 2023, SIP experienced favorable claims development of $741,193 (2022 - favorable claims development of $400,848).

The table below details the claim liabilities by risk categories:

	2023 Gross	2023 Net	2022
Property	$ 3,726,004	$ 2,348,913	$ 2,067,063
Comprehensive general liability	2,568,916	2,658,197	2,549,937
Educational errors and omissions	52,080	53,890	–
	$ 6,347,000	$ 5,061,000	$ 4,617,000

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, 2023 amounted to $6,347,000 (2022 - $4,617,000).

9. Claims liabilities (continued):

(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 2.2% (2022 - 1.81%).

The provision estimates are as follows:

	2023 Discounted	2023 Undiscounted	2022 Discounted	2022 Undiscounted
Gross provision	$ 6,347,000	$ 6,149,000	$ 4,617,000	$ 4,426,000
Excess insurance recoverable	(1,286,000)	(1,273,000)	–	–
Net provision	$ 5,061,000	$ 4,876,000	$ 4,617,000	$ 4,426,000

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:

	2023 Gross	2023 Net	2022 Gross and net
Notified claims	$ 4,574,870	$ 4,574,870	$ 3,029,719
Claims incurred but not reported	1,772,130	1,772,130	1,587,281
Excess insurance recoverable	–	(1,286,000)	–
	$ 6,347,000	$ 5,061,000	$ 4,617,000

9. Claims liabilities (continued):

(d) Analysis of movements in insurance contract provisions:

	2023	2022
Balance, April 1	$ 4,617,000	$ 3,531,000
Current year claims and expenses	2,689,231	2,872,795
Prior year (favourable) development	(741,193)	(400,848)
Total claims incurred	6,565,038	6,002,947
Decrease due to changes in discount rate and PFAD	(6,770)	(105,449)
Claims and related expenses paid	(1,497,268)	(1,267,498)
Excess reinsurance recoverable	1,286,000	(13,000)
Balance, March 31	$ 6,347,000	$ 4,617,000

Excess insurance recoverable on the balance sheet also includes expenses of $57,905 for reimbursement by SIP's excess insurer.

(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 9(b).

9. 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 $211,086 higher. The effect on net profit would be a reduction of $208,117. If the expected loss ratios used were 5% higher in all loss years, the net claims liabilities would be $36,612 higher, generating a reduction of $36,062 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.

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9. Claims liabilities (continued):

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Estimate of ultimate claims costs:											
End of accident year	$1,333,358	2,114,966	1,555,249	1,528,026	1,527,943	1,166,928	1,838,230	1,101,930	2,555,795	3,369,052	
End of one year	1,437,403	2,130,188	1,273,502	1,450,630	1,477,497	861,324	1,531,391	832,050	2,436,625		
End of two years	1,308,691	2,143,406	1,323,401	1,270,054	1,268,977	588,907	1,360,674	828,151			
End of three years	1,321,573	2,125,775	1,300,923	1,262,718	1,301,664	676,454	1,265,496				
End of four years	1,203,630	2,126,823	1,297,999	1,257,422	1,187,741	530,723					
End of five years	1,577,608	2,146,371	1,316,246	1,176,508	1,320,003						
End of six years	1,212,789	2,299,435	1,363,913	1,350,799							
End of seven years	1,215,870	2,361,769	1,298,714								
End of eight years	1,215,208	2,311,126									
End of nine years	1,243,624										
Current estimate of cumulative claims	1,243,624	2,311,126	1,298,714	1,350,799	1,320,003	530,723	1,265,496	828,151	2,436,625	3,369,052	
Cumulative claims payments to date	1,171,530	2,172,287	1,189,626	1,159,519	1,114,626	396,068	1,104,987	643,151	1,256,991	590,670	
Liability recognized	72,094	138,839	109,088	191,280	205,377	134,655	160,509	185,000	1,179,634	2,778,292	
Total all claims											5,159,767
Liability in respect of prior years											245,103
Balancing item											744,000
Effect of discounting**											198,130
Total net claims liabilities											$6,347,000

**Effect of discounting includes the provision for adverse deviations

10. 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 cyclicality 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.

10. Financial risk management (continued):

(a) Underwriting risk (continued):

(ii) Reserving risk (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, 2023		March 31, 2022	
	Fair value	% of total	Fair value	% of total
High (AAA, AA)	$ 1,686,299	38.4%	$ 2,152,944	49.65%
Medium (A+, BBB-)	2,511,883	57.2%	2,038,608	47.02%
Low (BB+ and under)	193,221	4.4%	144,400	3.33%
	$ 4,391,403	100.00%	$ 4,335,952	100.00%

10. Financial risk management (continued):

(b) Credit risk (continued):

(ii) Aggregated credit risk:

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

	2023	2022
Investments in bonds	$ 4,391,403	$ 4,335,952
Accrued investment income, including interest	17,892	7,537
Cash and cash equivalents	3,729,517	6,348,866
Excess insurance recoverable	1,343,906	–
	$ 9,482,718	$ 10,692,355

(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, 2023, SIP has $3,729,517 (2022 - $6,348,866) 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.

10. Financial risk management (continued):

(c) Liquidity risk (continued):

Expected payout pattern of unpaid claims as at March 31, 2023:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
$ 2,490,000	$ 1,534,000	$ 564,000	$ 288,000	$ 4,876,000

Expected payout pattern of unpaid claims as at March 31, 2022:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
$ 2,030,000	$ 1,475,000	$ 623,000	$ 298,000	$ 4,426,000

(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.

10. Financial risk management (continued):

(d) Market risk (continued):

(i) Interest rate risk (continued):

As at March 31, 2023, 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 $108,211 (2022 – $125,000), representing 2.3% (2022 – 2.7%) of the $4,704,816 (2022 - $4,643,269) fair value fixed income securities portfolio, and decrease the value of unpaid claims reserves by $116,000 (2022 - $124,659), 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 $117,620 (2022 - $131,000) and increase unpaid claims reserves by $128,000 (2022 - $129,276). 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.

10. Financial risk management (continued):

(d) Market risk (continued):

(ii) Equity market fluctuation risk (continued):

As at March 31, 2023, management estimates a hypothetical 10% increase in equity markets, with all other variables held constant, would impact OCI by approximately $7,748 (2022 - $7,098). A 10% decrease in equity prices would have the corresponding opposite effect, impacting OCI by the same amounts. Equity instruments comprise 24.4% (2022 – 26.3%) of the fair value of SIP's total investments.

(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, 2023, SIP held $631,629 in US equities (2022 – $686,864).

As at March 31, 2023, 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 $2,365. 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.

11. Fair value measurement:

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

	March 31, 2023 Fair value	Cost	March 31, 2022 Fair value	Cost
Level 1				
Investments	$ 567,900	$ 398,097	$ 601,623	$ 384,156
Level 2				
Investments	5,262,605	5,311,249	5,287,396	5,186,052
	$ 5,830,505	$ 5,709,346	$ 5,889,019	$ 5,570,208

There were no transfers between Level 1 and Level 2 in the period. There were no fair value measurements classified as Level 3.

12. 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
Balance, March 31, 2022	$ 2,204,731	$ 421,970	$ 2,626,701
Net income	77,971	–	77,971
Required transfer to and from restricted reserves	(1,159,349)	1,159,349	–
Balance, March 31, 2023	$ 1,123,353	$ 1,581,319	$ 2,704,672

12. Rate stabilization reserves (continued):

(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 August, 2021, actuarial review of the minimum capitalization required for SIP, a conservative level of capital has been determined to be in the range of $3,600,000. 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.

(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.

13. Capital management:

Capital is comprised of SIP's Rate Stabilization Reserves. As at March 31, 2023, SIP's capital was $2,704,672 (2022 - $2,626,701). 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.

14. Operating expenses:

		2023		2022
Salaries and contracting out	$	583,408	$	574,715
Risk		130,619		82,861
Rent and related expenses		96,823		82,959
Professional		74,800		105,441
Data		87,382		71,504
E&O coverage for staff and directors		70,627		56,822
Translation and student accident insurance promotion		2,866		4,860
Board and committee meetings		6,234		3,023
Depreciation		11,268		9,158
Office		9,723		9,530
Print and website		7,260		9,537
Telephone and communications		8,795		9,347
Professional development and dues		11,189		7,104
Other miscellaneous		1,974		7,873
	$	1,102,968	$	1,034,734

15. 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 $338,915 (2022 - $331,229) related to salaries and other short-term employee benefits. No other benefits were paid.

No compensation is paid to SIP's Board of Directors.

16. Changes in non-cash working capital items:

	2023	2022
Excess insurance recoverable	$ (1,343,906)	$ 13,000
Other assets	(378,819)	(1,198,284)
Right of use asset	–	(421,379)
Lease liability	–	421,379
Accounts payable and accrued liabilities	(407,409)	468,603
	$ (2,130,134)	$ (716,681)

17. Other information

On December 3, 2021, legal representatives for SIP filed a Notice of Action against Arthur J. Gallagher Canada Limited (SIP's former insurance broker) for breach of contract and negligence. The outcome of this process is dependent on litigation.

18. Commitments:

SIP is committed to immaterial equipment leases subject to the practical expedients within IFRS 16 and software maintenance agreements with Riskonnect. The following are the estimated contractual obligations for the next three years:

2024	$ 52,250
2025	52,250
2026	52,250

☙ APPENDIX 2 ☙

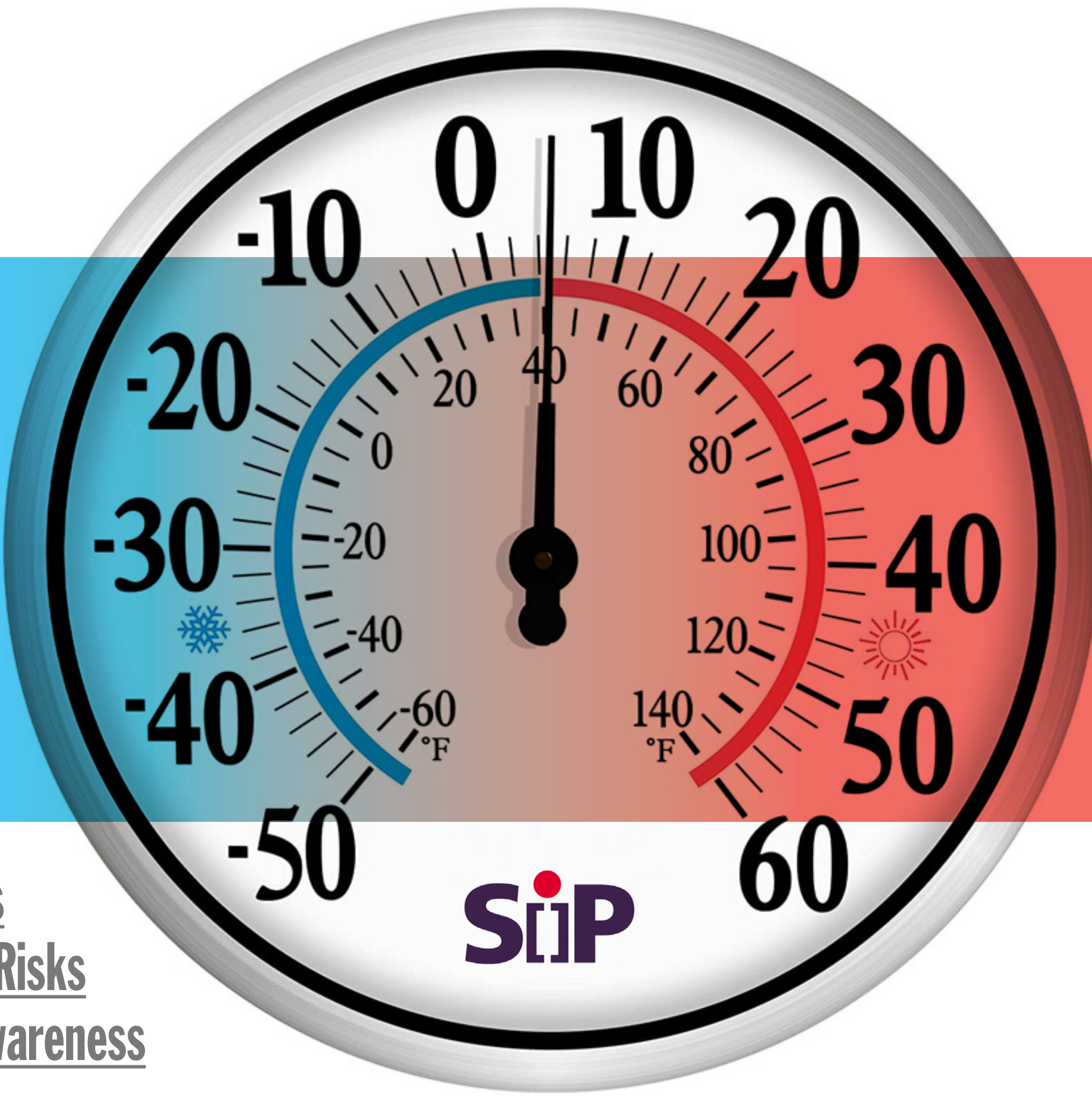
2023 SIP Spring/Summer Newsletter

Volume 9 • No.2
SPRING/SUMMER 2023

riskwrite

Information that matters to you and the Nova Scotia School Insurance Program

HOT & COLD CLAIMS AREN'T COOL.



Weather Extremes and Summertime Risks Require Raised Awareness

SIP
School Insurance Program
Not for profit.

POLAR VORTEX

February 2023

For the second winter in a row, SIP experienced significant claims activity as a result of *extreme* cold temperatures.

On February 5th, **SIP** began receiving notifications of freezing damage to piping/water escape in schools as temperatures fell to **-25C** with windchill temperatures as low as **-40C**. In total, 25 locations throughout the province were damaged. **SIP**'s current estimated claim amount from this event is **$1.8 million**. In addition to buildings and contents damage, we also received calls for food spoilage claims because of power outages resulting from this extreme weather event.

HOT

Hot Work Policies

Hot work is any activity or process that generates a source of ignition. This could be a flame, application of heat, or a spark. Examples of hot work include welding, soldering, cutting, and grinding. These activities significantly increase the risk of fire and must be managed carefully.

Due to the inherent risk exposures with hot work processes, it is standard practice across the insurance industry for property insurers to require adequate hot work policies to be in place. Aside from the insurance requirement, it is simply a best practice to employ a hot work policy. We have been previously advised that all Centers for Education, CSAP and NSCC have a hot work permit policy in place.

Insurers under the **SIP** insurance program require that your hot work policy includes the standard of '**One permit; one job; one day**', meaning each permit applies per shift, per day for each job. Once the work is completed, a fire watch is required, and only then can the permit be signed-off and completed.

A **60-minute** continuous fire watch following completion of work and a final inspection after **4 hours** (3 hours after the continuous fire watch is completed) is required. As a best practice, it is recommended that **15-minute checks** are done during this time as well.

If you have any questions about hot work or hot work policies, please don't hesitate to contact **SIP**.

Fire Extinguisher Alarms

SIP has experienced property claims arising from vandals unnecessarily discharging fire extinguishers in schools. Damage from vandalism can be significant, impacting the building, its contents and students' belongings.

Misuse of fire extinguishers not only results in significant claim costs but also poses a risk to the environment and any nearby persons who may encounter the discharged contents. Finally, a fire extinguisher removed from its proper location is not available for use in the event of an emergency which can endanger both property and safety.

Fire extinguisher alarms (available at less than **$100** per alarm) can be an effective means of deterrence to vandals. The battery-operated alarm emits a very loud and piercing audible alarm when the fire extinguisher is moved from its original placement. These alarms can reduce the potential for theft and vandalism while still allowing the use of the extinguisher in the event of an actual fire emergency.

SUMMER  SAFETY

Vacations and School Buildings

As we approach summer vacation, our schools will go from the everyday hustle and bustle of students and staff roaming the halls to relative calm and quiet.

Risk management tips to keep in mind this summer:

✔ **Ensure windows**, doors and any other entry points are closed and locked. Unsecured doors and windows can lead to entry of weather (rain and wind) as well as unlawful entry by persons into the school building.

✔ **Consider locking** high-value and target theft items such as iPad, laptops, and petty cash in a safe space.

✔ **Avoid storing** items near the school building. Consider a minimum of a 30-foot clearance—this should include garbage bins. Not only is it a concern that anything stored too close to the building could catch fire, but it can also be used to access the school roof.

✔ **Ensure no debris** or building material, such as old blocks, tiles, poles etc., are left around the property. These are easy tools vandals can use to cause damage and gain access. Loose items around the premises can also lead to slip and fall hazards to the public.

✔ **Ensure any** combustible waste is removed from the property and easily moveable items, such as wheel barrels and other maintenance equipment, are properly secured.

✔ **Have staff engage** in physical security patrols around the building, especially in more remote or industrial areas. Not only does it put eyes on the building, but it also creates a community presence which may help to deter malicious activity.

✔ **Have staff engage** in physical patrols inside the building on a scheduled basis. This watch will help catch issues that might lead to property damage if not discovered in reasonable time.

✔ **Have logs kept** of checks that have been completed. They should include what the assessment consisted of, when it was completed, by whom and if any issue we noted and the plan of action to address such.

✔ **Logs should also** be maintained of any slip and fall hazards on the property (potholes, playground maintenance issues) noticed at time of inspection/ patrol.

✔ **Ensure roof drains** are clear of debris, especially following wet and windy weather.

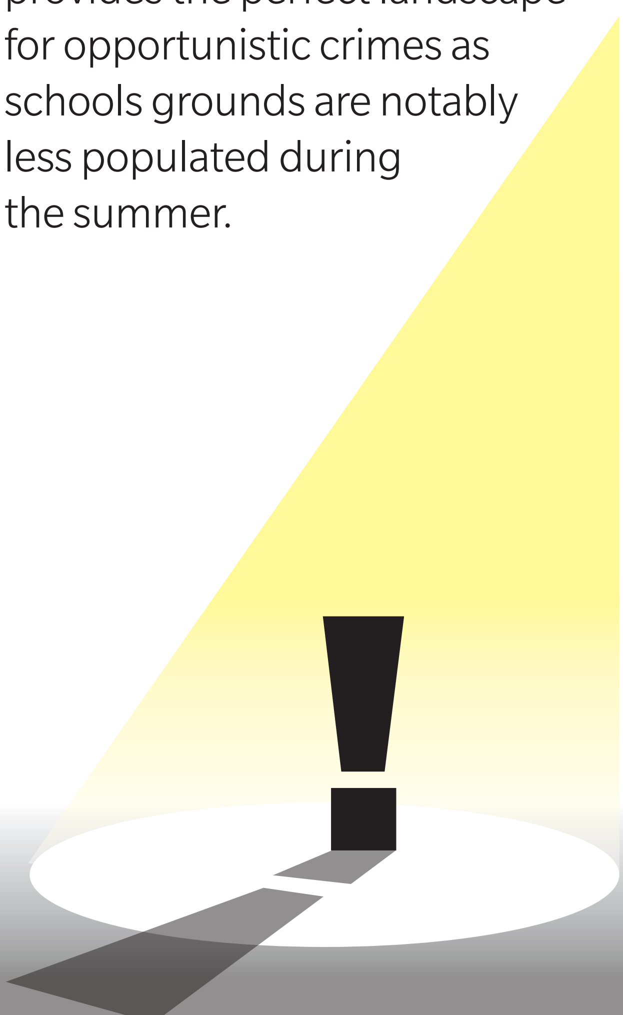
✔ **Ensure electronic** equipment not being used (i.e., computers) is turned off to reduce the risk of fire.

✔ **Check appliances'** wiring to ensure there are no frayed areas or other issues that could lead to a fire.

SUMMER  VANDALISM

Prevention Tips

Vandalism is something we are all familiar with, whether the result is broken windows or graffiti on the side of a building. Vandalism can be problematic in any season; however, summer provides the perfect landscape for opportunistic crimes as schools grounds are notably less populated during the summer.



Ways to help mitigate vandalism to our schools:

✔ **Improve lighting.** Improving lighting throughout the evening and nighttime hours makes vandals feel more exposed and likely to get caught, which may help to deter them.

✔ **Increase security camera** usage in problem areas and post signage that security cameras record 24/7.

✔ **Clean up** any vandalism or graffiti as soon as it is noticed. When graffiti is cleaned up within 48 hours, police report a significant reduction in repeated offences at the same location.

✔ **Engage local police** to regularly patrol the area on evenings and weekends, especially if you are experiencing a frequency of events in the area.

✔ **Engage with the community**. No one wants to see a school in their community be a target of criminal activity, and most will be happy to offer their assistance. Set up a method of communication for school and community members to anonymously report any information they may have, which could lead to the identity of the vandal(s).

✔ **If you have** a particular building or wall being targeted, have students get involved by painting a mural there. This approach won't necessarily stop graffiti vandalism; however, it may deter the vandal, knowing students have worked hard to create it.

Water Sensors

SIP continues to see water escape claims

that are significant in both frequency and severity. Water escape from plumbing fixtures and water supply lines (sprinkler, plumbing and heating) can cause severe damage to school buildings if not detected for even short periods of time. Damage can be especially severe when water flows down through multiple floors and/or when a water escape event occurs undetected overnight or over a weekend.

Help is available to mitigate damage from water escape.

Water sensor systems protect buildings and contents using technology which detects the presence of water where water should not be. Internet connectivity allows the sensor to send out alert notifications and, as a result, damage can be avoided or lessened through early intervention. The benefits of water sensors are clear: severe damage can be avoided which can also help to keep school operations from being negatively affected.

The benefits of water sensors are clear:

severe damage can be avoided which can also help to keep school operations from being negatively affected.

Student
Transportation

It has come to our attention that RCEs/CSAP **can** utilize private passenger vehicles (vans, cars or SUVS) – which RCEs/CSAP own or lease, for the transportation of students.

SIP has arranged with our fleet automobile insurer to extend the school bus endorsement to any private passenger vehicles reported as being used explicitly for the transportation of students. These vehicles are required to be specifically scheduled.

Therefore, RCEs/CSAP must report these vehicles to **SIP** and specify they are used for student transportation. **SIP** will report the vehicles to the fleet automobile insurer to ensure proper coverage is in place.

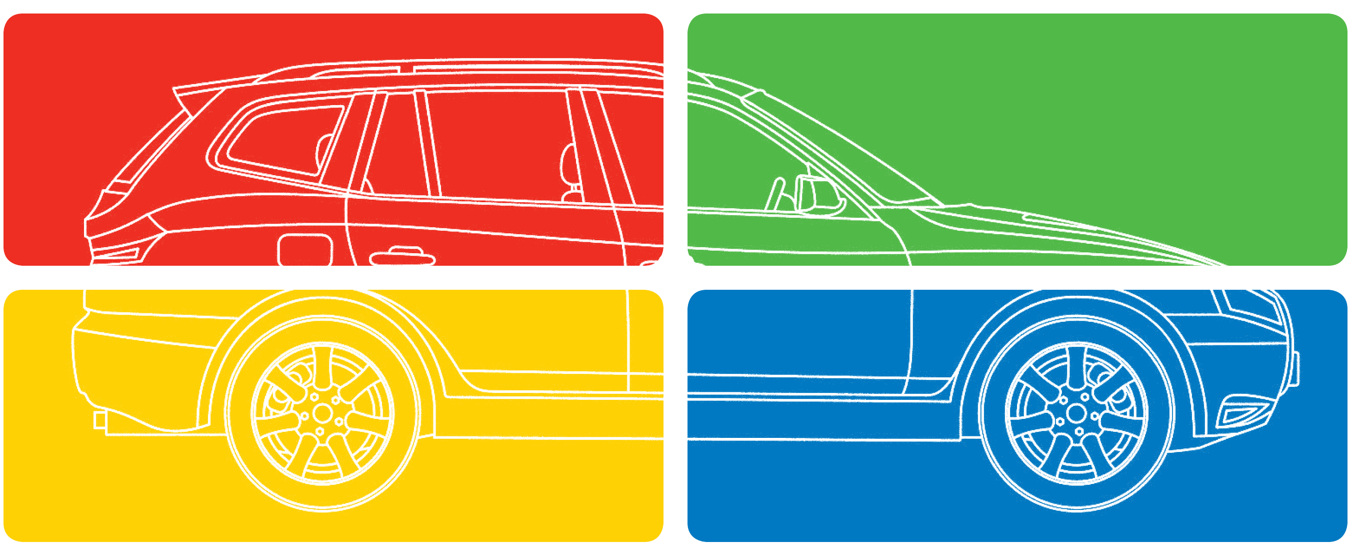
Fleet
Automobile

SIP's fleet automobile insurance program covers more than **1400** vehicles. The following represent a minor portion of the claims under our fleet automobile program for the **12-year** period from 2010-2022:

7 Fire claims occurred totalling:
$**174,632**

6 Theft claims occurred totalling:
$**83,762**

7 Vandalism claims occurred totalling:
$**58,573**



Questions... and Answers

Q

How does a parent submit a **Dental Claim?**

A

When an accident causes an injury that could potentially result in expenses for dental work, we encourage school staff to reach out to the parents to inform them of the student accident coverage.

Student accident information such as the policy, dental claim forms, contact information and a detailed step-by-step guideline on how to submit a claim can be located at www.sip.ca. Parents are to complete the form and submit to the insurer as instructed on the claim form.

Q

What if a parent or guardian has specific accident policy coverage questions ***after*** a student has been injured during a school approved activity (Basic Plan Coverage) or outside school and related activities (Gold Plan Coverage)**?**

A

The student accident insurer is unable to answer specific claim and coverage questions unless a claim is submitted and reviewed by a claims representative. Due to the time restrictions for submitting a claim, parents are encouraged to submit the claim as soon as possible and ask questions once the insurer has assigned a claim handler.

Written notice of injury on which a claim may be based must be given to the Insurer within thirty days after the date of the accident causing such injury.

Submission of an incident report to **SIP** by school staff ***does not*** initiate a student accident claim.

Claim forms can be found at

www.**sip**.ca

Adults & Part-Time Students

Our office has received several questions regarding the eligibility of **adult** and **part-time students** under our student accident policy.

SIP is pleased to confirm there is ***no age limitation*** under the student accident policy. Adult students can access the coverage as long as an individual is a Centre/CSAP-registered student participating in a Centre for Education/CSAP-approved activity.

In addition, we have successfully amended the definition of *'student'* in the policy to ***specifically include part-time students.***

If you have any questions regarding the student accident program, please don't hesitate to contact our office at **902-480-2161**.

Q&A

Interruptions in Sprinkler and Alarm Services

A quick reminder of the requirement under the **SIP**'s property insurance program to advise **SIP** of any interruptions in sprinkler or alarm services **lasting longer than 72 hours**. These interruptions can be reported via our emergency number at **902-448-2840**.

Additionally, if sprinkler or alarm services are down, please ensure a fire watch is put in place for the affected site(s) until protection systems are operational again.

Staff or a hired company can perform a fire watch patrol of the building when the systems are down to ensure immediate and appropriate action is taken in the event of a fire.

Renewal 2023 THANK YOU!

The renewal process for **July 1**, 2023 is in full swing at the **SIP** office. We would like to thank everyone at our Centres for Education, CSAP and the NSCC for their help in gathering the information needed to help us place the required insurance products successfully.

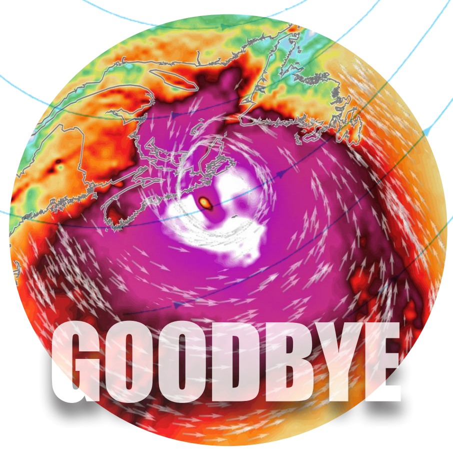
When a claim occurs—whether it be property, liability, automobile, or something else—we all need insurance coverage to respond appropriately. Your assistance is essential, and we would like to acknowledge the time, energy, and effort of everyone involved.

Student Accident Insurance Program GOFORGOLD!

Each year, **SIP**'s **Go for Gold** program supports classrooms by providing $**2** for every student accident gold plan registered.

SIP recently provided $**1,890** to Centres for Education and CSAP for **Gold** plans registered by parents/guardians during the 2021/22 school year.

Hurricane FIONA Interesting Fact...



Earlier this Spring, officials from the ***Canadian Hurricane Centre*** submitted a proposal to **retire Fiona** from the list of official hurricane names. The *World Meteorological Organization (WMO) Hurricane Committee* subsequently retired **Fiona** from the rotating lists of Atlantic tropical cyclone names.

Historically, in the case of a particularly deadly or damaging storm, a storm's name is retired, and a replacement starting with the same letter is selected to take its place. The decision whether to remove a name in a given season is made at the annual session of the *WMO Hurricane Committee* in the spring of the following year.

SIP Trivia Contest #8

All correct responses received within the first two weeks of newsletter release date will be entered into a draw. Two names will be drawn, and each will receive a **SIP** logo'd hoodie style fleece sweater.

Sizes available are Small, Medium, Large and Xtra Large.

SIP Trivia is open to all Regional Centres for Education, CSAP, and NSCC staff.

Please email your answers to:

mail@sip.ca

True or False...?

1 As a general guideline, an Incident Report should be submitted if a staff member feels a student should be seen by a medical professional.

2 **SIP** should be advised of any interruptions in a sprinkler or alarm services that last longer than 72 hours.

3 It is not necessary to register the names of all the students, staff & chaperones, when travelling on a school trip, to the Canadian Department of Foreign Affairs.

This could be yours!

Available in **S**, **M**, **L**, **XL**

Winter 2023 SIP Trivia Winners

Tina Knol – *Nova Family of Schools – CCRCE*

Novadawn Oulton – *Windsor Elementary School – AVRCE*

K–12 Safety

On-line training for your employees brought to you compliments of **SIP**

The School Insurance Program is pleased to continue to be partnered with ***K–12 Safety Online Training***. ***K–12 Safety*** courses are specifically designed for school employees. The training courses are authored by school experts and are available from any internet appliance—computers, iPads and even smartphones with internet access.

Each participating Regional Centre for Education/ CSAP/NSCC have their own ***K–12 Safety*** training site. ***K–12 Safety*** training can track group or instructor-led training, and it also tracks individual eLearning training. Subscribers can even upload their policies and track acceptance of them as well. Administrators will enjoy real-time progress reports by school and even across the entire organization.

K–12 Safety continues to localize many of its courses and there are many courses that are ready for you today! As well, there are courses available in French, and more in the making.

We are confident this will be a great resource for all employees in your Regional Centres for Education, CSAP and NSCC. Students will benefit from safer environments as well.

For further Information and/or to connect with your Centre's/CSAP/NSCC ***K–12 Safety*** representative, please contact **SIP** at ***mail@sip.ca*** to get your membership as soon as possible.

SIP
School **Insurance** Program

Vector Solutions

Vector Solutions Support Centre

Vector Solutions' **support center** contains helpful articles for commonly asked questions. It also has tutorials and written instructions covering all features found within Vector LMS. If no support article answers your questions, you can contact their Customer Care team through one of the methods noted **here**.

NOW AVAILABLE FROM **SIP**

guard.me

SCHOOL TRIP & MEDICAL INSURANCE

Going on a school trip and need travel medical insurance?

SIP partners with **guard.me** to provide travel health insurance available for our schools.

guard.me health insurance plans provide for full payment, without co-insurance or deductibles, for doctors' visits and hospitalizations for medically required urgent care, as well as for paramedical care, medicines and urgent dental care *(*Normal terms and conditions apply).*

1. Who can apply for guard.me insurance?

guard.me is designed specifically to meet travel insurance needs for school trips. Eligible applicants include:

- ***Students* • *Teachers* • *Volunteers/chaperones***
- ***School faculty and staff***

*Coverage is available to persons **under 65** as of trip departure date.*

2. How do schools arrange coverage?

Go to sip.ca and select ***Teachers & Staff***, select ***Trips***, then click on ***Trip Insurance*** and review the following available coverages:

guard.me Canada – for emergency travel insurance for school trips within Canada (outside of your home Province).

guard.me Global B – for school trips outside of Canada for emergency medical insurance.

guard.me Global A – a more comprehensive coverage (Emergency medical insurance + trip cancellation insurance) for school trips outside Canada. Please note that this coverage must be purchased within (**7**) days of airline ticket purchase. Also note that a **guard.me Global A** policy **cannot** be cancelled, and the premium is **non-refundable**.

Request your coverage by contacting guard.me:

1. Contact **guard.me** by emailing partnerservices@guard.me. Identify yourself as a School Representative and your affiliation with Nova Scotia School Insurance Program. Identify the preferred policy.
2. **guard.me**'s PSR team will set up portal access for secure enrollment summissions.
3. **guard.me** PSR will provide the enrollment form for completion and return via the secure portal. Please complete all required fields on the enrollment form and note that the school's name in *mandatory* for invoicing.
4. **guard.me** will send confirmation and PDF Healthcare Access Cards through the portal for review once the policies have been issued.
5. **guard.me** will issue the policy invoice and notify **SIP**'s office. **SIP** will invoice the insurance premium to the school directly.

3. Learn the cost before arranging coverage.

A quote can be arranged for review prior to confirming coverage. Contact partnerservices@guard.me with the policy you are interested in along with coverage dates. Identify yourself as a School Representative and your affiliation with **SIP**. **guard.me** will respond with a quotation detailing the policy premium cost.

Should there be questions regarding insurance policy coverage specifics, please contact **SIP**'s **guard.me** representative at: megan@guard.me

School Trips

What to know...**before** you go.

Do you have a question for **SIP** about a **school trip?**

We get questions on field trips that range from trips to the library to trips to Europe. Our website now has a new feature that will help you tell us about your trip and answer any questions you may have. Follow these simple steps to submit your inquiry:

1. Go to ***www.sip.ca***
2. Select ***Teachers***, then ***Staff***, and log in (user name: ***sip*** password: ***student***)
3. Select the ***Trips*** tab

Complete the form and submit to SIP staff and we will get back to you as soon as we can. Please remember to file your trip itinerary for **all trips** outside of Canada.

Agreements & Waivers

What to do...and **not** do.

Your school is being asked to sign waivers, hold harmless agreements, group agreements, indemnity agreements and release forms...**what should you do?**

Here is a quick reference chart to assist you:

Activity	Action to Take
Business offering activities for students	**Do not sign**
Field trips or sports activities	**Do not sign**
Leasing of space	Send the contract to your Centre/CSAP/NSCC office or **SIP**
Rental of equipment	Send copy of contract to your Centre/CSAP/NSCC office or **SIP**
Group agreement	**Do not sign**
Not sure	Send to **SIP** and we will assist you

Do not sign on the dotted line unless you have authority from your Centre/CSAP/NSCC to sign a legal contract on their behalf.

For further information, see ***RiskWrite*** "To sign or not to sign" at sip.ca under *Risk Management Advice > Contracts*

Staff Members

Bruce Macdonald BBA CIP
Chief Executive Officer
bruce.macdonald@sip.ca
Office 902.480.**2173**
Cell 902.499.9890

Bruce plans, organizes, manages and evaluates the operations of **SIP** in accordance with objectives established by the Board of Directors.

Lee-Anne Dauphinee CIP CRM
Risk Manager
lee-anne.dauphinee@sip.ca
Office 902.480.**2171**
Cell 902.452.6173

Lee-Anne provides risk management, loss control, and insurance purchase and renewal service to **SIP** subscribers.

Cindy Norrad CPA CGA CRM
Controller
cindy.norrad@sip.ca
Office 902.480.**2177**
Cell 902.499.0426

Cindy manages the finances of **SIP**, reports to the Board of Directors and is involved in procurement.

Meagan Spicer
Claims Administrator
meagan.spicer@sip.ca
Office 902.480.**2110**
Cell 902.430.9781

Meagan handles claims, the student accident program, certificate of insurance requests and also provides administrative support to office staff.

School Insurance Program

24/7 Emergency 902.448.2840

www.**sip**.ca

Rebekah Tingley CRM CIP
Risk Management and Insurance Analyst
rebekah.tingley@sip.ca
Office 902.480.**2172**
Cell 902.830.2178

Rebekah assists the Risk Manager and answers enquiries about school trips and activities.

Valencia Forrest
Claims Administrator
valencia.forrest@sip.ca
Office 902.480.**2174**
Cell 902.229.3262

Valencia handles claims, the student accident program, certificate of insurance requests and also provides administrative support to office staff.

Dawn Graves
Executive Assistant
dawn.graves@sip.ca
Office 902.480.**2178**
Cell 902.719.7008

Dawn provides administrative support to the office staff and works closely with the Chief Executive Officer.

Office Information

Reception	902.480.2170
Toll-free	855.480.2170
Fax	902.480.2179
Email	mail@sip.ca

Park Place II
238A Brownlow Ave – Suite 100
Dartmouth, NS
B3B 2B4

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