



## MAINE MUNICIPAL ASSOCIATION

### **Risk Management Services**

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DATE: July 24, 2019

TO: Members of the Workers Compensation Fund and the Property & Casualty Pool

FROM: Michelle Pelletier, CPCU, AU  
Director, Risk Management Services

RE: Dividend Payments



We are pleased to announce that the Board of Trustees of the **MMA Workers Compensation Fund** voted at its May 23, 2019 meeting to allow a total dividend of no more than \$650,000 to the members of the Fund who meet the established criteria. Continuing members whose 2018 contributions are greater than \$25,000 annually, whose 2018 loss ratio is less than 40% and whose three-year loss ratio is less than 75% will receive a 5.02% dividend. Continuing members whose 2017 contributions are less than \$25,000 annually and whose loss ratio is less than 50% for the three years ending December 31, 2017, will also receive a 5.02% dividend. All losses are valued as of June 30, 2019.

The Board of Directors of the **MMA Property & Casualty Pool** voted at its May 23, 2019 meeting to allow a dividend to current members of the Pool who meet the established criteria. To earn a dividend, a member must have a loss ratio of 50% or less for the qualifying year of July 1, 2017 to July 1, 2018, calculated and valued as of June 30, 2019. Continuing members whose participation began on July 1, 2013 or prior will earn a 5.5% dividend and members who joined after July 2, 2013 will receive a 4.5% dividend.

Cost savings are realized in providing services to members who participate in both the Property & Casualty Pool and the Workers Compensation Fund. In recognition of the savings, both boards voted to add 1% to the dividends for each program for members who qualify and earn a dividend. If you are among the members who participate in both the Workers Compensation Fund and the Property & Casualty Pool, and you earned a dividend for either or both programs, the additional 1% has been included in the calculation.

Your entity has played a big part of making the Workers Compensation Fund and the Property & Casualty Pool successful programs through good risk management and sound loss prevention. Each of the respective boards are pleased with the results of these programs and thanks you for your support and continued participation. The final dividend distribution for the Workers Compensation Fund and Property & Casualty Pool totals \$1,249,880.

We encourage you to use the enclosed press release to announce the results of your successful risk management activities and good loss experience to your community. If you have any questions about the dividend or any of the Risk Management Services programs, please call me at 1-800-590-5583.

**PRESS RELEASE**  
**For Immediate Release**

Municipal officials are pleased to announce that the **Town of Windham** has received a **\$12,391** dividend check from the Maine Municipal Association as a result of its good loss experience and loss prevention programs.

The Maine Municipal Association offers three self-funded pools for municipal and quasi-public entities in Maine: the Workers Compensation Fund formed in 1978, the Property & Casualty Pool formed in 1987 and the Unemployment Compensation Fund formed in 1978.

The programs are overseen by governing boards of elected and appointed municipal officials. At its May meeting, the board approved another dividend distribution. Actual allocation and eligibility is based on the individual member's own loss experience. Michelle Pelletier, Director of Risk Management Services for MMA, said more than 79 percent of program participants received a dividend this year for their good risk management practices and favorable loss experience.

This year the Workers Compensation Fund has distributed almost **\$650,000** in dividends to participants and the Property and Casualty Pool has paid dividends of nearly **\$600,000**, for total payments of just over \$1.2 million returned directly to MMA members.

Maine Municipal Association has been paying dividends since 1997, the two programs have returned over **\$23 million** to participating members. For more information about any of the MMA Risk Management Services programs, including online training programs and other services, check the offerings on their website at [www.memun.org](http://www.memun.org) and click on the Risk Management Services link, or call 1-800-590-5583.