

THE MIABC STORY

We Are the
Community
We Keep.





Behind every organization, behind every brand, there’s a story. What you are about to read is our story: one that conveys not only where we’ve come from and why we exist, but also the higher purpose driving our efforts and the difference we look to make in the communities we serve. It is a story as rich and remarkable as this province we call home, and we are pleased and proud to share it with you.

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AT THE CENTRE OF A VIRTUOUS CIRCLE

*Community is essential.
In many respects, it is at
the very heart of humanity,
serving as the glue that holds
it together and the power
that propels it forward.*



Thriving communities have a natural and magnetic vitality. When this vibrancy is nurtured, it becomes self-perpetuating, for growth begets growth, investment draws investment, and like attracts like. In this way, a thriving community is a virtuous circle, continually striving to be better and in turn, inspiring its members to be the same. When residents embrace where they are, and contribute back to their location, they invest a part of themselves. They help colour and shape their neighbourhood through block parties and farmers' markets, parent groups and local festivities. They contribute to the definition of their community, because their community, in turn, helps define them.

Yet even a virtuous circle needs a push now and then. It needs a supportive, nurturing and responsive force to continue its momentum and movement, its energy and focus, or it will start to slow down, and even falter.

Communities that fail, don't typically do so overnight. They decline little by little, step by step, day by day, for many reasons. It may be from a manmade or natural disaster, from lack of leadership, or dwindling opportunity. People can sense when a community is in decline. They can feel it when the celebrations that mark the passage of a year are cancelled, when another playground or school is closed, another storefront empties, another broken window goes unrepaired. When communities are on the decline, the energy drains, slowly at first and then with increased speed. Streets are no longer full of life. Neighbourly interaction stops. Flowers disappear from window boxes and parks grow eerily quiet. The cumulative effect is a lingering belief that tomorrow will be worse than today, that the best of this community lives only in our memories and that the smartest investment is an exit strategy.

To propel this virtuous circle and keep communities investing in themselves, the MIABC invests in the communities of British Columbia. Each day, through every piece of advice shared, every outreach program offered, every insurance policy written, the organization proudly declares that what makes each community unique is worthwhile: worth preserving and protecting, and worth our collective time and talent. The MIABC empowers the communities that are at the very heart of our province and, in turn, the people who are the heart of those communities.

With this reliable support and steady guidance of the MIABC, villages, towns and cities are able to provide the services to their residents that reflect the best of community living. Towns are able to still mark the summer with a bouncy castle and parades; villages can still provide kids with the delight of a swing set or local swimming pool; and cities can continue to offer festivities and celebrations that bring residents into the streets and turn strangers into neighbours.

By enabling our communities to be free and authentic reflections of their residents, the MIABC provides an opportunity for the local to become vocal, where pockets of character can endure. As they succeed, so do the residents who call that place home. And so the virtuous circle grows.

A municipal insurance premium is often a quiet, unassuming line item on the budget of a local government, yet it represents so much more than an annual premium. It represents and facilitates the future. It speaks to a place where new ideas can be considered, traditions upheld and opportunities seized. It is an investment in each community and in its tomorrow. It states that what this province possesses is good, is worth supporting and worthy of those who call it home. We are, in the end, the community we keep.



In this Storyline you are holding, you are introduced to the power of community reflected in our municipalities, the legacy of insurance and the essence of an association, as well as the Vision, Mission and Guiding Principles of the Municipal Insurance Association of BC. These latter three elements constitute the verbal foundation of the organization, and those working with and for the MIABC should recognize in these elements their own role and shared purpose. Reading this document should be like holding a mirror up to the best of what the organization has to offer, can be, and what it will be through a unified commitment to excellence. Let the Story begin.

THE ORIGINS OF INSURANCE ARE ALIVE IN THE MIABC



Insurance didn't suddenly appear in the world because someone looked at an actuarial table, calculated a premium or wrote a contract. It emerged and evolved as a way to provide people with stability in an unstable world, security where there was little, and hope where there was loss.

The concept of insurance as a means to transfer and distribute risk is as old as humanity. Where people lived together, they supported each other as a means of securing their own survival, individually and collectively. If, for example, one family's house were destroyed by fire or storm, neighbours would help to rebuild it. In early trading days, the goods of one merchant were split up and transferred in different ships to mitigate the risk of loss. Importantly, these actions weren't established through intricate calculations, rather through the human need to bring some sense of predictability to life by making it less risky.

Early milestones in the history of insurance.

2,000 BC

The Babylonians, about 2,000 years BC, developed their rules of law, known as the Code of Hammurabi. These rules were practiced by merchants who, upon receiving a loan to fund a shipment arriving by sea, would pay an additional amount to have that loan cancelled if the goods were stolen or lost.

1,000 BC

In 1,000 BC, the merchants of Rhodes started to insure goods that were shipped together, using their premiums to reimburse any merchant whose goods were lost at sea. And so the first insurance risk pools were born.

600 BC

In 600 BC, the Greeks and Romans introduced what we would now call health and life insurance. Through their benevolent societies, they paid for the funeral expenses of their members who died and by extension, took care of the deceased's family.

MIDDLE AGES

In the Middle Ages, Guilds provided a similar service, keeping funds to pay for the funeral expenses of members, and support their elderly or ill members, as well as their widows and orphans.

1347

The first insurance contract was developed and signed in Genoa in 1347. Individuals would write their name under the amount of risk they were willing to assume, and thus they became the first underwriters.

1666

Property insurance came into being following the Great Fire of London in 1666, when more than 13,000 homes within that community were destroyed.

1686

It was also in London, about two decades later, that Edward Lloyd opened a coffee house on Tower Street. His coffee shop was popular with ship owners, merchants and ship captains; so if you wanted to know what was happening at sea, it was the place to be.

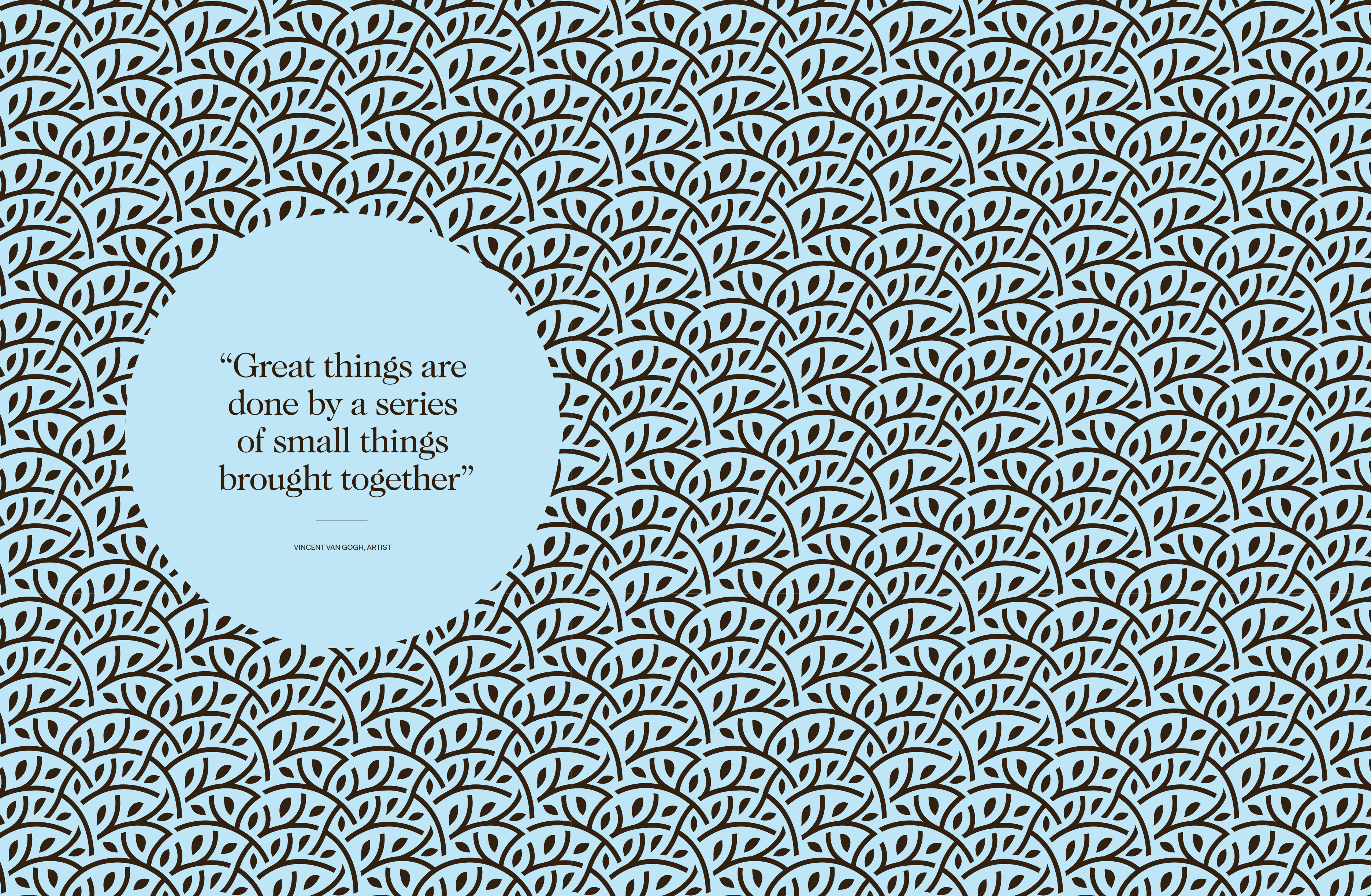
...1686

Moreover, his coffee shop became the destination for those looking to learn about risks to cargo, and those willing to underwrite those risks. These informal meetings led to the establishment of a formal insurance market called Lloyd's of London.



The birth and early maturation of insurance was always driven by an innate, community-based need. It supported and encouraged collective growth and reliance, and provided a foundation of security for people where it would otherwise not exist. Yet over the past three centuries, as private insurers have evolved, driven as most business is by profit, it's not surprising that the reputation of the industry has been tarnished by those putting clauses before claimants, embracing the letter of a policy rather than the spirit of it, and answering to Wall Street before Main Street.

And yet, while private insurers react to the profit needs of their investors, the MIABC stays true to the ideological roots of insurance. The MIABC was established so that communities could help each other achieve the stability they need when the private sector was unwilling or unable to do so. It was developed to provide this province and the people within it a communal security blanket, a safety net should they need it and peace of mind when they don't. Communities supporting themselves, their people and each other is at the very heart of the MIABC and remains truer to the founding ideals of insurance than any other organization or company out there.



“Great things are
done by a series
of small things
brought together”

VINCENT VAN GOGH, ARTIST

The Backstory

A SHORT HISTORY OF THE MIABC

In the mid-1980s, local governments in this province were facing a crisis. Liability insurance premiums had increased five-fold for more than half of British Columbia's local governments, deductibles were soaring, and coverage limits were dropping.

This crisis reached every community in BC, across Canada, in the US and as far away as Australia. There was no end to how high the premiums and deductibles could climb, nor how low the coverage could fall. Most concerning was the lack of available coverage for major liability exposures faced by some governments. It seemed that the only options were either to increase taxes or accept insufficient coverage. What was once a relatively predictable line item for the budgets of villages, towns and cities, became anything but.

Seeing that the solution was not going to emerge from private industry, the community of communities in BC turned to each other for support. Just as communities supported each other in the early evolution of insurance, it was now time to reach across town lines and find the help they needed not in a company, but in the company of each other.

The Union of BC Municipalities created a task force that returned with the recommendation to establish a self-insurance pooling program. And so, in November 1987, the Municipal Insurance Association of BC was born and accepted its first members: all 144 of them. Over decades that followed, the organization grew in reach, expertise and capital base. By 2006, the MIABC was able to return dividends to its members for the first time, and has continued to do so every year since but one.

Recently, in response to external threats and internal requests, the MIABC has expanded its offerings to include property insurance. Today it stands as an example of consistency, reliability and responsiveness. It is also a model of communities working together to support each other and offer levels of service that none, independently, could find on their own.

“Coming together is a beginning; keeping together is progress; working together is success.”

HENRY FORD, INDUSTRIALIST



Underwriting Tomorrow

THE SHARED VISION OF THE MIABC

VISION

*A British Columbia
in which its communities
not only have the means to
grow, but also the freedom
to thrive, enriching the lives
of British Columbians
in the process.*

A great vision is one that is far-reaching, yet imaginable: challenging yet inspiring. It should act like a beacon, attracting like-minded individuals to it, and to work towards it. Yet a great vision is not for one organization on its own. It stands for something larger, the world around the organization and the hope that through its efforts, the world will be enhanced, improved and transformed.

The Vision of the MIABC is its hope for a better world in which it operates. It articulates a higher purpose, shared by the organization, its members, and their constituents: the citizens of this province. It succinctly expresses why those in the MIABC work so tirelessly to achieve success, because this Vision is worth striving for, worth achieving and worth the efforts of everyone in the organization and around it.

The Vision of the MIABC should be worthy of our spirit, drive and determination. Taken on its own, it captures the reason for being for the MIABC, articulating why we exist, galvanizing us all behind

a shared understanding of what success ultimately looks like. The Vision of the MIABC serves, in effect, our True North, providing direction and guidance for every member and every employee every day. It is in the name of this Vision that we do what we do.



The Power of Premiums

THE MISSION OF THE MIABC

MISSION

*Through stable liability and
property insurance, outreach
programs and expert advice,
the MIABC gives members
the dependable support they
need to keep their communities
vibrant and alive.*

A mission reflects an organization's reason for being by articulating what it uniquely does to fulfill the higher purpose captured in its shared vision. In other words, if a shared vision conveys the "Why" an organization exists, the mission conveys the "How" it specifically works towards and contributes to that vision. Used as a framework for strategic decision-making, it provides a filter through which the organization can determine its priorities, and in turn, reject opportunities outside its mandate.

Roughly a decade ago, the MIABC created a Mission Statement. While it concisely captured the work of the organization, it no longer fully conveys the full richness of its mandate. The evolved Mission of the MIABC (articulated to the right) reflects how it specifically — as an organization and as a team of people — ensures BC communities have the means to grow and the freedom to thrive.

More specifically, the organization's Mission is achieved through its consistent delivery of its comprehensive range of offerings, including:

Liability insurance | Property insurance
Brokerage services | Telephone & email support
Member visits | Site inspections | Risk Management
Grant Program | Risk management scholarships
Monthly newsletters | On-line risk management library
Brochure service | Annual Risk Management Conference
Data analysis | Webinars | Casual Legal Advice Program
Member orientation | Property appraisals

Upcoming programs include:

Policy audits | Liability Risk Management Plans
Core Building By-law Revision Project

From this array of products and services and its extensive expertise, the MIABC assists its members in building a more stable, secure, community for the residents of British Columbia.

The Values We Ensure

THE GUIDING PRINCIPLES OF THE MIABC



Guiding Principles capture the driving values and ideals of an organization. They are the philosophical foundation on which the organization's trust is built, through every transaction initiated, every service offered and every product sold. Importantly, Guiding Principles shape how an organization behaves, when others are watching and also when they're not.

The MIABC's Guiding Principles reflect how the organization, its staff and its members work each day, to deliver the promise of its Mission and the potential of its Vision. Importantly, these principles build upon the Values we had identified earlier as an organization by capturing the beliefs we all share. Other groups may provide similar products or services, but only the MIABC can offer the breadth of offerings that it does, in a way that reflects and supports its core truths.

Our Values

1

Membership has its benefits and its responsibilities.

The MIABC works to provide great service and support, but like any association, is only as strong as those who are a part of it. Our association thrives through a commitment to the community it keeps. Yet membership isn't free from responsibility. By giving their feedback, offering co-operation to other members, sharing their knowledge and being an advocate for best practices, our members invest in the association they own, making it ever more effective and relevant for themselves and for others.

Members, in turn, receive a wealth of services and support from our association. They experience consistent, transparent and responsive approaches to their concerns and have a say in the organization and the services offered. They may also share in the success of the operation in the form of a dividend, or benefit from grants that help them identify and mitigate exposure to risk. Educational seminars conducted by the MIABC provide two levels of benefit: members receive information and training to help them better manage their liability, and members connect with other members, increasing their opportunity to learn from each other's experiences and best practices. In this way, the MIABC is motivated differently than other organizations. It celebrates successes, collectively and communally, and shares its success in both tangible and intangible ways, creating a circle of connection with its members and between them.

2

The MIABC serves every member equally and uniquely.

The MIABC is owned by its members, and serves them with parity and consistency. This is not an association where the size of the community or the premium it pays dictates the level of service it receives. There are no elite levels of membership, no platinum card that allows the member to jump a queue or get a faster response. The smallest member is as important as the largest one.

Yet the MIABC also recognizes and reacts to the uniqueness of its constituents. As it is owned by its members, the MIABC works to get to 'Yes' by understanding first and foremost what its members want to achieve. It also acts as an extension of its members, offering an array of services and expertise to their offices, if and as required.

While other insurers may deny communities coverage for dunk tanks or swing sets, the MIABC is motivated to support the energy and vitality of the community itself, and so wants to maintain the dynamism, the security and the sense of local identity that defines it. The organization serves its members differently than private insurers, by providing fair and equal treatment, regardless of size. Success for the MIABC is not simply written in the bottom line; it's written in the faces of citizens and neighbours who are fully living and, as a result, making their community full of life.

3

Principles precede profit.

Principles, precedence and fairness are at the heart of the organization's procedures. The MIABC has a longer time horizon than most other organizations. As it is owned by and accountable to its members, it works in their best interest, every day, even if the results of this work don't result in immediate profits. The association will,

for example, spend \$40,000 fighting a \$10,000 lawsuit that has no merit, because winning the case means limiting other meritless cases. A private insurer whose main driver is profitability would rarely make that choice. Simply stated, the MIABC operates differently than a private insurer.

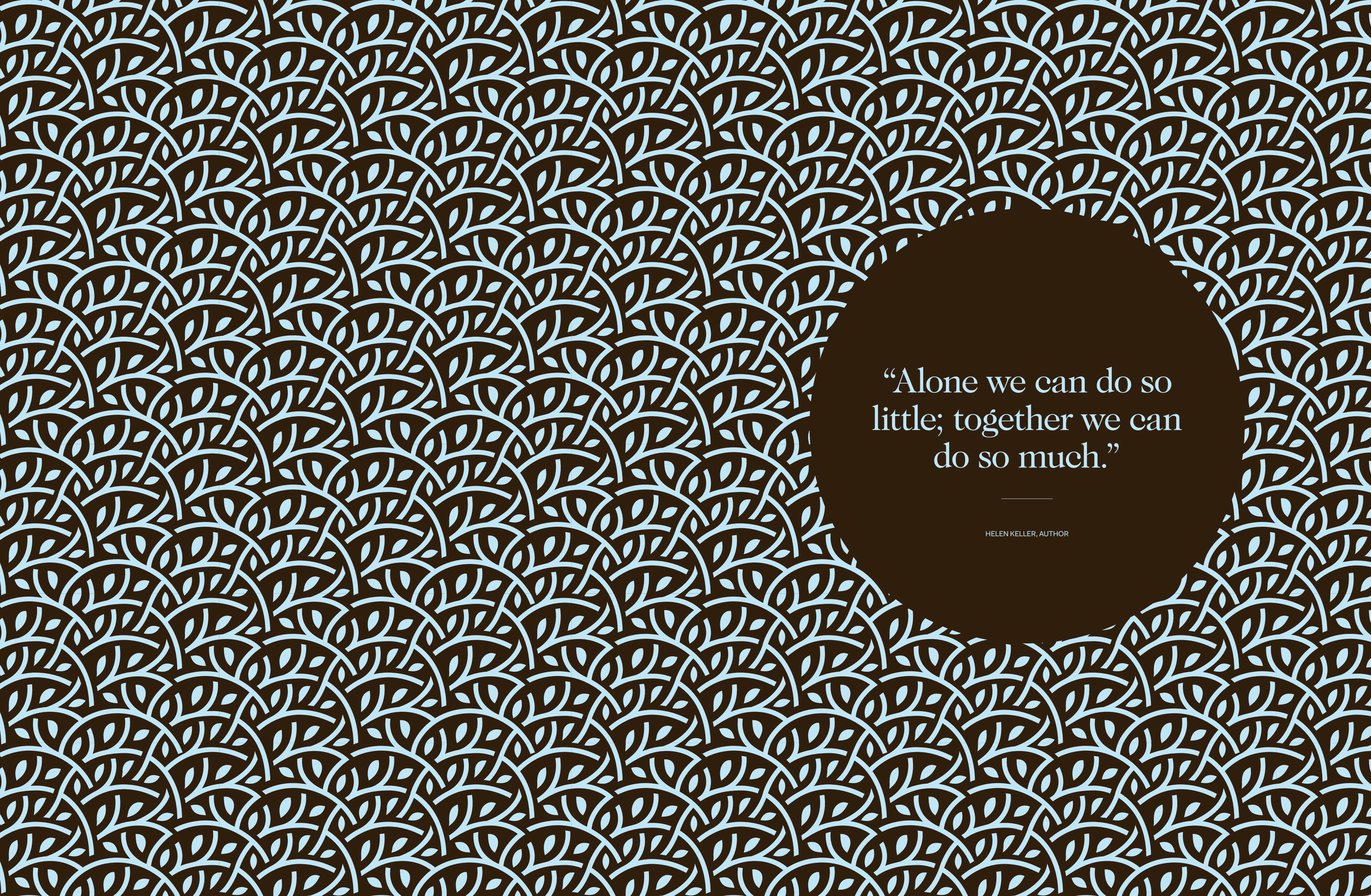
The MIABC has such a strong commitment to the communities of British Columbia, because they see themselves truly as an extension of them. Reaching back to the late 1980s, the organization has its roots in the collective. It was established to provide stability where none existed, and invests in this stability where, at times, others wouldn't. By embracing the long view, the MIABC puts its principles and that of its members before all else.

4

From partnership comes power.

How the MIABC operates, serves, and is motivated reflects the roots of the organization and the recognition that together, communities are stronger. The communities, for the MIABC, reflect 90 per cent of our province's towns and cities — no insignificant collection of local governments. By believing that togetherness breeds strength, the organization and its members achieve vastly more than any one community could achieve individually.

This organization was founded on people coming together to react to a crisis and resolve a problem, which is precisely what communities do. By keeping its members top of mind, by ensuring it is providing the products and services they need and remaining relevant to them, the MIABC ensures the stability of our province's communities and their abilities to thrive for decades to come. Together, we can accomplish great things, and an organization born of crisis — which is now providing the stability to its members that it didn't have itself, back in 1987 — is a living testament to the principle that in working together we empower each other.



“Alone we can do so
little; together we can
do so much.”

HELEN KELLER, AUTHOR

WELCOME HOME TO TOMORROW

Community means something slightly different to each person. And yet while it holds a different meaning for individuals, it is universally essential to their sense of belonging, their sense of identity and their sense of purpose. For some, community may mean bustling streets, where the barista knows your favourite coffee and the server your favourite table. For others, it may conjure up the sounds of children's squeals of joy as they propel themselves on a merry-go-round for the first time.

For others still, it's the annual events that come to mind, the Canada Day festivities, the Christmas decorations on Main Street, the first tulips of spring in the park, and the return of the summer farmers' markets.

Regardless of the different nuances, a strong sense of community doesn't come from a textbook, or a rulebook. It comes from the heart. For some it's a place they long to be, for others it's a place they return to daily. And while it may be an aspiration for some and a reality for others, for everyone it's essential, vital and defining.



Great communities attract great people, but excellence doesn't appear simply because we wish it. We achieve excellence through the committed investment of time, talent and resources. It's built on a thousand small successes, and a culture where the balance of innovation and tradition allows for the best to remain and the fresh to flourish.

Investing in communities makes them stronger and stronger communities re-invest in themselves, making them stronger still.

A community is only as vital as the commitment people have to it, and the same is true for any association, and in particular this association. The more people participate in an association, the stronger it becomes. Support leads to growth, which leads to better services, which in turn leads to more support and more growth. Understanding this unique and virtuous circle elevates the work and the offering of the MIABC, which benefits us all. For an investment by the members in the MIABC is, in turn, an investment back into the communities we call home.



By staying relevant to its members in the years and decades to come, the MIABC will help communities in BC remain relevant for their citizens. As the MIABC thrives, so does its members' ability to continue providing an environment where annual events are anticipated, where playgrounds are filled and where opportunity grows. We are, after all, the community we keep.

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