



NEW BRUNSWICK INSURANCE BOARD

2025 ANNUAL REPORT



NBIB25



March 1, 2026

Minister of Finance
Province of New Brunswick
P.O. Box 6000
Fredericton, NB E3B 5H1

Attention: Honorable René Legacy

Dear Minister Legacy;

Re: 2025 Annual Report

On behalf of the Members of the New Brunswick Insurance Board and pursuant to section 19.9 of the *Insurance Act*, I am pleased to submit our Annual Report for the 2025 calendar year. The report contains an overview of our activities for the year, as well as our audited financial statements for the 2024-2025 fiscal year ending March 31, 2025.

Respectfully submitted,

Marie-Claude Doucet
Chair & CEO
New Brunswick Insurance Board

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By legislation, the NBIB has the obligation to report its previous year's activities to the Minister of Finance by March 1st.

This report highlights our activities and accomplishments of the 2025 calendar year.



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2025 ANNUAL REPORT CREDITS

Accounting | Whittaker & Estabrooks
Design | iNK. graphic design
Print | Print Digital

Message from the Chair



It is with great pleasure that I present the New Brunswick Insurance Board's 2025 Annual Report, which highlights the organization's key activities, priorities, and accomplishments over the past year.

Throughout 2025, the Board continued to advance its mandate of ensuring automobile insurance rates remain just and reasonable for all New Brunswickers. This year was characterized by progress in governance, internal processes, operational resilience, and regulatory collaboration.

Highlights of 2025

Strengthening Governance Through Internal Review

In 2025, significant effort was devoted to advancing NBIB's Internal Review Process, an essential initiative designed to support good governance, enhance organizational efficiency, and modernize our operational foundations.

This comprehensive review focused on internal workflows, departmental structures, and reporting mechanisms. The outcomes of this work will position the Board to implement meaningful improvements throughout 2026 and beyond.

Actuarial Services RFP

This year, the Board initiated a competitive Request for Proposals (RFP) process for actuarial services. Given the fundamental importance of actuarial analysis to NBIB's rate review mandate, this process seeks to secure actuarial partners who offer exceptional quality, industry-leading expertise, and competitive pricing.

The RFP will help ensure the Board maintains robust analytical capability, supports evidence-based decision-making, and upholds public trust in the fairness of the rate review process.

Fostering Workforce Resilience & Knowledge Transfer

2025 brought the retirement of some long-serving and valued staff members. In response, the Board undertook initiatives with its employees to enhance its teamwork and leadership in an effort to support knowledge transfer and strengthen focus on its performance goals. These efforts have contributed to a stronger, more engaged and collaborative team environment, and will serve the organization well as further transitions are anticipated.

Succession Planning for 2026–2027

Looking ahead to forecasted retirements, the Board advanced its succession planning work throughout 2025. This planning is essential to maintaining operational performance, preserving institutional knowledge, and ensuring NBIB's long-term stability. Succession work will continue well into 2026 as we prepare for leadership changes expected in the year(s) ahead.

Inter-Jurisdictional Collaboration & Professional Development

NBIB collaborated with the Island Regulatory and Appeals Commission (IRAC) to provide education and professional development to its Board Members on auto insurance rate making and key actuarial principles. This initiative proved highly successful, offering high-quality training while strengthening the working relationship between the two regulatory bodies.

Building on this success, NBIB intends on exploring opportunities to provide joint educational sessions with other Atlantic automobile insurance rate regulators in the future, with the intention of generating cost savings, foster increased collaboration, and promote harmonization of regulatory procedures where possible.

Legislative Modernization of the *Insurance Act*

As work continues on modernizing the *Insurance Act*, NBIB engaged with government and the Financial and Consumer Services Commission (FCNB). These discussions centred on the potential future state of the Board's rate review processes, procedures, and filing requirements, considering the impact on all stakeholders, including consumers.

The Board will continue collaborating with the above noted entities as the legislative review progresses.

Looking Ahead to 2026

As we enter 2026, NBIB is well-positioned for a year of continued improvement and forward momentum. Priority areas will include:

- Implementing recommendations from internal processes
- Finalizing the actuarial services contract(s)
- Advancing staff development and succession planning
- Preparing for leadership transition
- Continuing collaborative training initiatives with Atlantic regulators
- Align processes with the legislative reform to the *Insurance Act* should the proposed legislative changes to the Board's rate review process receive Royal Assent.

Our focus will however remain on upholding robust regulatory processes, enhancing transparency, and promoting operational excellence.



Marie-Claude Doucet
Chair & CEO, New Brunswick Insurance Board

Acknowledgements

The accomplishments of 2025 would not have been possible without the dedication and professionalism of our staff and Board members. I extend my sincere thanks to everyone who contributed to NBIB's success this year.

I also wish to express my heartfelt appreciation to Kelly Ferris and Christine Bullock, who both retired in 2025. Their years of service, commitment, and contributions helped shape the NBIB into a strong and respected organization. We are grateful for their work and wish them the very best in their future endeavours.

Through continued collaboration, disciplined governance, and a strong commitment to public service, the New Brunswick Insurance Board remains engaged in its mission to ensure rates in our province are fair, transparent, just and reasonable for all New Brunswicker auto insurance policyholders.

The Board



MARIE-CLAUDE DOUCET
Chair | Dieppe
Appointed 2016



MARVEN GRANT
Vice-Chair | Fredericton
Reappointed 2022



RACHEL ARSENEAU-
FERGUSON
Campbellton
Reappointed 2025



FERNE ASHFORD
Charters Settlement
Reappointed 2022



SHERRIE BOYD
Quispamsis
Appointed 2025



FRANCINE KANHAI
Saint-André
Reappointed 2022



GEORGES LEGER
Dieppe
Reappointed 2022



BOB MCSORLEY
Hanwell
Reappointed 2025



GERRY PETERS
Fredericton
Appointed 2023



HEATHER STEPHEN
Saint John
Reappointed 2022

The New Brunswick Insurance Board (“NBIB” or “Board”) is a quasi-judicial administrative tribunal established through legislation by the Government of New Brunswick in 2004 as the regulatory agency responsible for the overall supervision of automobile insurance rates in New Brunswick. We are an independent agency that operates at arm’s length from the government. The Chair is responsible for observing the *Insurance Act* (the *Act*) and for the overall performance and management of the Board. The Chair is also the Chief Executive Officer (CEO) of the Board pursuant to section 19.25 of the *Act*; therefore, the daily operation of the NBIB is under the leadership of the CEO.

As of December 31, 2025, the Board was comprised of the Chair, Vice-Chair and eight other members. In addition to the CEO, Marie-Claude Doucet, the Board employs nine employees.

Board members Cyril Jonston, Brigitte M. Ouellette, and Elizabeth Turgeon terms concluded in 2025. We would like to extend our gratitude for their service and dedication to the Board.

Board Governance



Our Mandate

The Board ensures New Brunswick auto insurance rates are ***just and reasonable***, and to the greatest extent possible, based on:

- New Brunswick driver experience
- New Brunswick company experience
- Comparison to other provinces in Atlantic Canada

The Board’s mission is to regulate automobile insurance rates under the *Insurance Act* for all companies doing business in the Province of New Brunswick and to ensure procedural fairness to all parties appearing before the Board.

The *Act* requires that insurers file their proposed rates at least once every 12 months.

Accountability

Board members participate in the review process conducted by the NBIB, as well as Board meetings, educational sessions and conferences offered throughout the year. In addition to its regular rate reviews, and orientation for new members, NBIB offered continuing development on rate making and emerging trends to the entire Board in 2025.

As legislated by the *Act*, the operating costs of the NBIB are covered by the insurance industry through annual assessments.

Audited financial statements are produced each year. The financial statements for the fiscal year ending March 31, 2025 can be found in Appendix A.

Who do we regulate?

Market Share 2025

Standard _____	95%
Non-Standard _____	3%
Facility Association _____	2%

Source: NBIB Filings

Average Premium 2025

Standard _____	\$1,103
Non-Standard _____	\$2,482
Facility Association _____	\$3,002
Overall Combined _____	\$1,252

Source: NBIB Filings

Standard Market

The standard market is considered the “regular” market; the drivers of the vehicles insured here would typically have a clean driving record with no accidents or convictions in the prior 4-6 years.

Non-Standard Market

The non-standard or “grey” market is comprised of insureds who may have had one or two at-fault accidents, and perhaps a couple of convictions. Obviously, the premium charged for these policy holders will be higher than the standard market as statistically, they are higher risk drivers. Non-standard writers are the step between Facility Association and the standard market. This market is vital to a healthy automobile insurance market place.

Facility Association Market

The Facility Association is an entity established by legislation to ensure that automobile insurance is available to all owners and licensed drivers of motor vehicles where such owners or drivers are unable to obtain automobile insurance through the standard or non-standard market. By Canadian standards, a residual market of 2% or less is considered to be an indicator of a healthy overall auto insurance market. Facility Association currently has a market share of 0.9% in New Brunswick for private passenger vehicles.

Reasons for Private Passenger Vehicle Placement in Facility Association: October 2024 – September 2025

	Private Passenger	
A-D	Accident/Offence _____	1,116
E	Payment History _____	714
F	New Driver _____	280
G-L	Vehicle Use/Type _____	144
M	Insurance History NA _____	103
N	Lower Premium _____	49
O	Lapse _____	87
R	Years of Driving Experience _____	151
S	Other _____	0

LEGEND	
A	At Fault Loss under 6 years
B	Conviction Record
C	Material Misrepresentation or Insurance Fraud
D	Any Combination of A, B, or C
E	Premium Payment History
F	New Driver in Canada
G	Vehicle Condition
H	Vehicle Use
I	Vehicle Type
J	Vehicle Modification
K	Location - Vehicle Domiciled
L	Any Combination of G, H, I, J, K
M	Insurance History not Available
N	Premium lower than other available markets
O	Lapse in coverage > 24 months
R	Years driving experience
S	Other

Source: Facility Association

NB Private Passenger Vehicles Earned Exposures & Premiums 2020-2024

Year	Written Exposure	Written Premium
2020	515,193	\$503,876,097
2021	525,027	\$558,856,538
2022	530,066	\$590,675,003
2023	534,106	\$616,805,047
2024	549,744	\$681,362,356

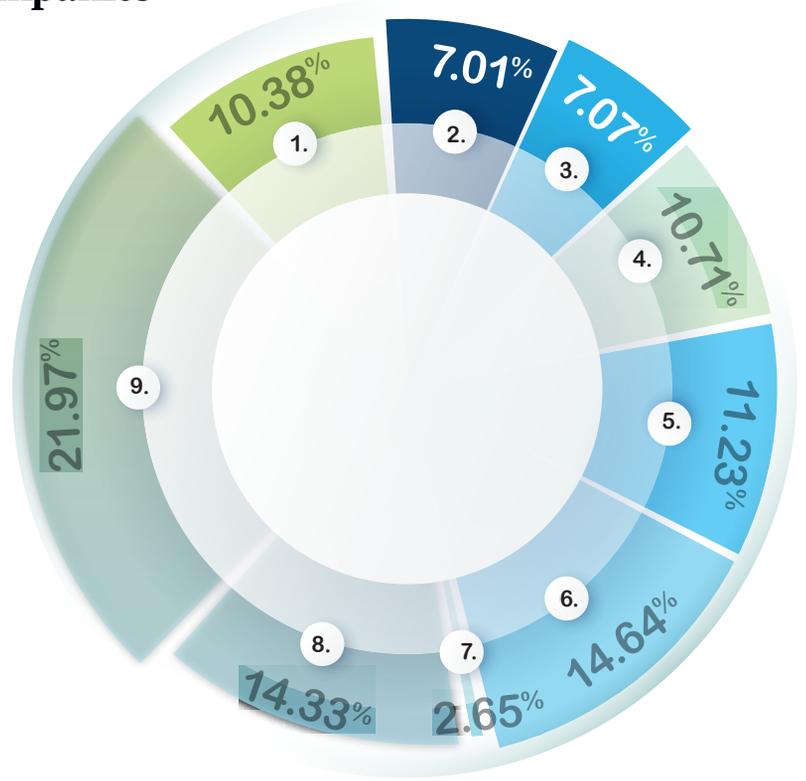
(2020-2024 +5.71% increase in exposures)

(2020-2024 increase of +28.62% in total written premium)

Source: GISA AUTO1010 ATL

Private Passenger Insurance Companies

There are 38 insurance companies within the private passenger market in New Brunswick. Based on the information contained within the 2025 rate filings submitted to the NBIB, the private passenger market share breaks down as follows:



Insurance Companies

- | | |
|--|---|
| <p>1. Allstate Group 10.38%
 Allstate Insurance Company of Canada
 Pembridge Insurance Company
 Pafco Insurance Company</p> | <p>7. Northbridge Group 2.65%
 Federated Insurance Company of Canada
 Northbridge General Insurance Company
 Tokio Marine & Nichido Fire Insurance Co., Ltd.
 Verasure Insurance Company
 Zenith Insurance Company</p> |
| <p>2. Aviva Group 7.01%
 Aviva Insurance Company of Canada
 Aviva General Insurance Company
 Traders General Insurance Company</p> | <p>8. TD Group 14.33%
 TD Home and Auto Insurance Company
 Primum Insurance Company
 Security National Insurance Company</p> |
| <p>3. Co-operators Group 7.07%
 Co-operators General Insurance Company
 CUMIS General Insurance Company
 Sovereign General Insurance Company (The)</p> | <p>All other Insurers 21.97%
 CAA Insurance Company
 Chubb Insurance Company of Canada
 Continental Casualty Company
 The Dominion of Canada General Insurance Company
 Echelon Insurance
 Facility Association
 Hartford Fire Insurance Company
 The Insurance Company of Prince Edward Island
 Liberty Mutual Insurance Company
 The Portage la Prairie Mutual Insurance Company
 Promutuel de l'Estuaire, Société mutuelle d'assurance générale
 Sampo Japan Insurance Inc.
 United General Insurance Corporation
 The Wawanesa Mutual Insurance Company
 XL Specialty Insurance Company</p> |
| <p>4. Desjardins Group 10.71%
 Certas Home and Auto Insurance Company
 Personal Insurance Company (The)</p> | |
| <p>5. Definity Group 11.23%
 Definity Insurance Company
 Sonnet Insurance Company</p> | |
| <p>6. Intact Group 14.64%
 Intact Insurance Company
 Belair Insurance Company Inc</p> | |

What do we regulate?

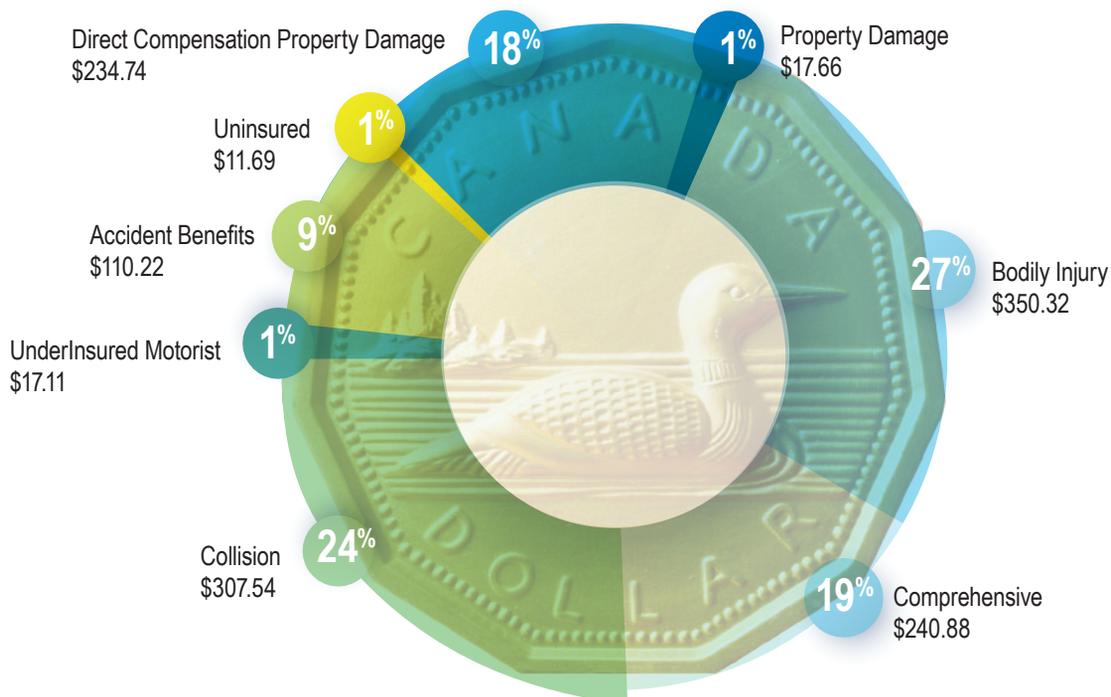
The Board regulates private passenger, commercial and miscellaneous classes of vehicles such as all-terrain vehicles, snowmobiles, and motorcycles. The Board regulates rates for all mandatory coverages as required by the *Act*, as well as optional coverages such as collision and comprehensive. Like other Canadian jurisdictions, we do not regulate fleet business. A fleet may be defined as a group of not less than five automobiles, that are under common ownership or management, of which at least five are commercial vehicles, public vehicles or vehicles used for business purposes, including any vehicles leased to the same insured person for a period in excess of 30 days.

New Brunswick Market Composition

TYPE OF VEHICLE	PERCENTAGE
 Private Passenger	75.9%
 Commercial	6.3%
 ATV	9.1%
 Motorcycle	4.4%
 Snow Vehicle	2.9%
 Farmers/Misc.	1.5%

Source: GISA AUTO1010 ATL / GISA AUTO1101 ATL

Distribution of premium by Coverage for Private Passenger Vehicles 2025



Source: GISA AUTO1010 ATL

How do we regulate?

Reviews

All rate filing applications (“applications” or “filings”) are reviewed by the Board to ensure that the filing is compliant with the applicable sections of the *Insurance Act*, NBIB Filing Guidelines, as well as the standards and practices of the Canadian Institute of Actuaries. During the review, the company may be asked for further justification or additional information. Once the filing is deemed complete, the Board will convene a panel to review.

Hearings

An insurer must appear before the Board when:

- it files for a rate change more than twice in a 12-month period, or
- it files rates where the average increase is more than 3% greater than the rates charged by it in the 12 months prior to the date on which it proposes to begin to charge the rates, or when
- the Board requires it to do so, to further investigate its filing.

Panel Review

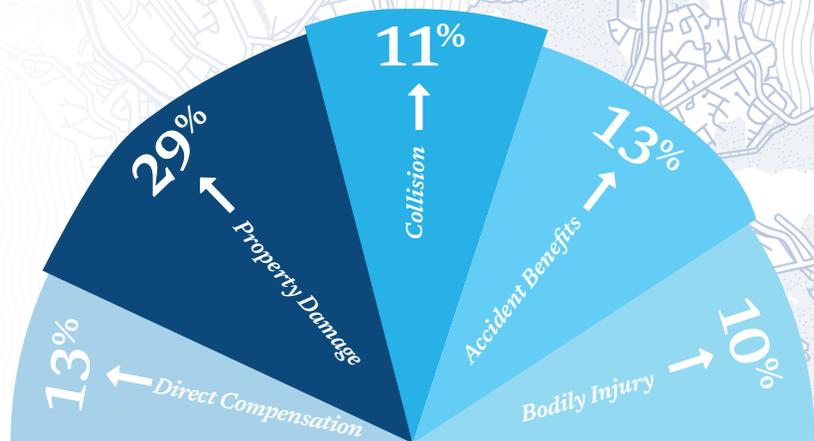
If a hearing is not required based on the established criteria, a panel will review the application and recommend to the Chair that the filing be moved to a hearing for further investigation or the application be approved as filed.

2025 Market Update

The majority of the auto insurance market regulated by the NBIB is the private passenger class of vehicle (PPV). The number of these vehicles insured in the province increased by 5.7% in the period 2020-2024 from 520,056 to 549,744. PPV represents 75.9% of all insured vehicles in the Province, which includes commercial and interurban vehicles, taxis, ambulances, buses, ATV, motorcycles and mopeds, snowmobiles, etc.

Based on applications filed with the NBIB, for the period 2024/2025 companies required an overall average rate increase of +20.11% to pay expected claims and expenses. The overall average rate change required for the mandatory coverages was +15.89%, while the optional coverages were significantly higher at +28.83%. This large rate increase in optional coverages can be attributed in part to comprehensive, which covers auto theft. From 2014 to 2024, auto theft costs have increased by 428% in New Brunswick. From 2020-2024, New Brunswick insureds have seen the comprehensive average cost per claim rise 59% yet the average premium increased by only 40% for this coverage, as the market tries to keep up with the volume of car thefts.

Cost Per Claim Increase



Coverage-Specific Trends

Bodily Injury Tort The number of claims increased 9% during the period 2022-2024 for Bodily Injury coverage, and the average cost per claim increased by 10%, from \$142,412 to \$156,507.

Property Damage Tort From 2022-2024 the number of Property Damage claims decreased 9% yet the average cost per claim has increased by 29%, from \$10,635 to \$13,699.

Direct Compensation Property Damage Direct Compensation Property Damage (DCPD) covers damage to your vehicle when you are not the party at fault. Overall, the number of this type of claim increased 4% from 2022-2024, while the average cost per claim rose 13% in the same period from \$6,897 to \$7,823.

Accident Benefits The amount of claims increased 12% during 2022-2024 for Accident Benefits, while the average cost per claim decreased 13% from \$15,231 in 2022 to \$13,293 in 2024.

Collision From 2022-2024 the number of claims increased by 5% and the average cost per claim increased 11% in the same period from \$8,775 to \$9,743.

Auto Theft in New Brunswick: A Growing Concern

The Insurance Bureau of Canada (IBC) reports that the cost of auto theft in the Atlantic region has risen dramatically over 2014 to 2024 in all four provinces. In fact, insurance claims for auto theft reached more than \$31 million last year, up from \$8.4 million in 2014, an increase of 275%.

New Brunswick now leads Atlantic Canada in auto thefts, with 788 auto theft claims reported in 2024 totalling more than \$16 million in losses. Since 2014, auto theft-related claims have risen by 228%. From 2014-2024, the three cities with the largest increases in auto theft claim costs are all in New Brunswick: Saint John (520%), Moncton (746%), and Fredericton (1,672%). Corresponding changes in auto theft claims costs from 2023 to 2024 are 29%, -6% and -24%.

In the Atlantic Provinces, the top 3 stolen vehicles (ranked by theft frequency) are trucks but the fourth and fifth are the Toyota RAV4 and the Honda Civic, longtime favourites of car thieves.

Inflation

Auto insurance rates continue to be impacted by inflation in multiple areas of the automotive industry, including vehicle values, labour costs, the price of replacement parts and health care costs.

Overall inflation has decreased in 2025, however when it comes to the costs that directly impact auto insurance claims, a different pattern is observed. While prices in some sectors have eased in recent months, the price of auto insurance continues to rise, well above the rate of inflation, due to pricing pressures in multiple areas of the automotive industry.

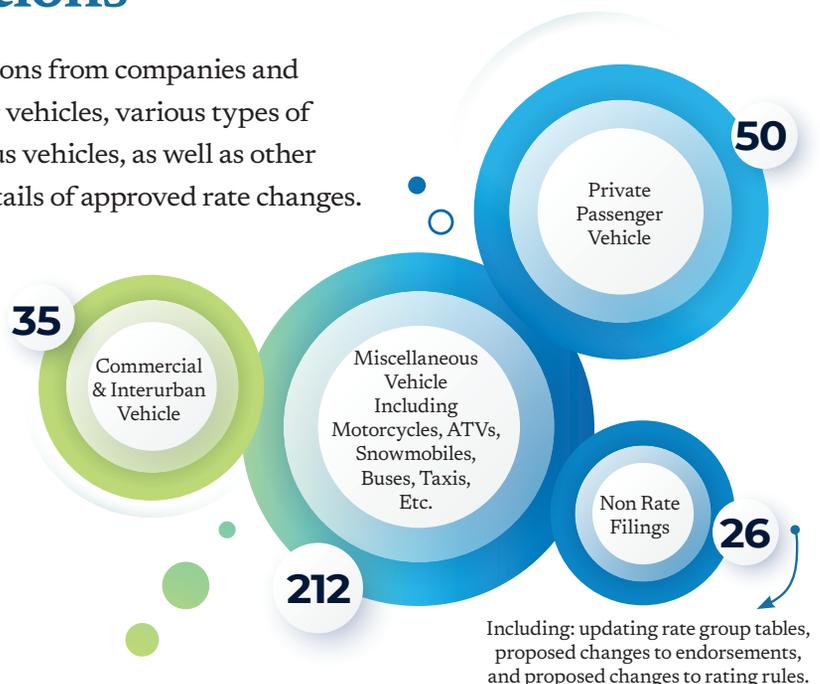
The automotive industry is also experiencing a shortage of qualified mechanics, resulting in increased labour costs. To date, tariffs and the global trade war have had a limited impact on the automotive industry, largely because the extent to which tariffs translate into consumer price inflation remains uncertain. Additionally, consumer behaviours, such as substituting products, may have helped dampen inflationary pressures.

2025 Rate Applications

In 2025, the Board received rate applications from companies and Facility Association for private passenger vehicles, various types of commercial, interurban and miscellaneous vehicles, as well as other non-rate filings. *See Appendix B for details of approved rate changes.

Number Of Filings

The Board reviewed a total of **323** filings in 2025, which included:

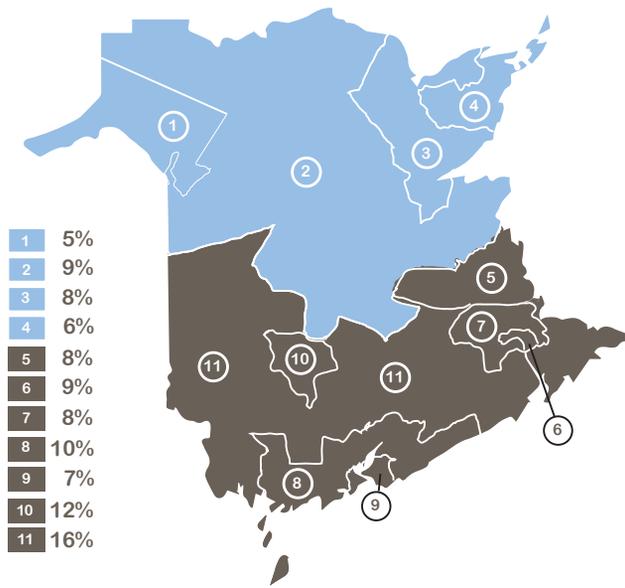


Decisions In 2025

Hearings are held before a panel of three Board Members and are chaired by the Board Chair or Vice-Chair. Decisions resulting from hearings may be found on the Board's website at www.nbib-canb.org.

INSURANCE COMPANY	VEHICLE TYPE	ORIGINAL INDICATION	ORIGINAL SELECTION	APPROVED INDICATION	APPROVED AVERAGE RATE CHANGE
Belair Insurance Company Inc.	Private Passenger	18.60%	12.72%	4.20%	4.20%
Certas Home and Auto Insurance Company	Private Passenger	23.49%	18.82%	20.12%	18.18%
The Personal Insurance Company	Private Passenger	21.74%	18.84%	18.58%	17.86%
CAA Insurance Company	Private Passenger	18.52%	9.51%	16.80%	9.51%
The Wawanesa Mutual Insurance Company	Private Passenger	37.07%	10.68%	39.17%	10.34%
TD Home and Auto Insurance Company	Private Passenger	23.91%	5.54%	24.24%	5.54%
Security National Insurance Company	Private Passenger	29.60%	7.31%	26.39%	7.31%
Primum Insurance Company	Private Passenger	42.34%	15.53%	37.90%	15.53%
Sonnet Insurance Company	Private Passenger	10.02%	6.85%	5.82%	5.77%
Definity Insurance Company	Private Passenger	13.17%	9.68%	3.98%	3.98%
Facility Association	Private Passenger	-4.10%	-1.00%	-4.43%	-4.43%
Facility Association	Commercial	9.00%	9.00%	7.97%	7.97%
Facility Association	All Terrain Vehicles	7.60%	7.60%	7.51%	7.51%
The Dominion of Canada General Insurance Company	Private Passenger	23.93%	14.99%	16.29%	7.99%
Aviva Insurance Company of Canada	Private Passenger	28.39%	21.10%	16.61%	16.61%
Traders General Insurance Company	Private Passenger	28.39%	21.10%	16.61%	16.61%
Aviva General Insurance Company	Private Passenger	8.08%	4.98%	3.67%	3.67%

Territories Distribution



Exposures are distributed throughout the eleven statistical territories within the province. The four territories in northern New Brunswick (1-4) represent 29% of vehicle exposures. The seven territories within southern New Brunswick (5-11) represent 71% of vehicle exposures. Southern New Brunswick is also where the three largest urban centers are located.

Provincial Average Premiums

Province	PPV Average Earned Premium
NL	\$1,315 *
NS	\$1,213 *
PE	\$971 *
NB	\$1,155 *
ON	\$1,742 *
MB	\$1,128 **
SK	\$1,143 ***
AB	\$1,627 *
BC	\$1,461 ****

Most recent available data at time of preparing this report

LEGEND

GISA AUTO1010 PPV overall average premium *

2023-24 SGI Canada Annual Report overall average PPV premium ***

2023 MPI overall average PPV premium **

2023-24 ICBC Service Plan Report ****

Understanding Auto Insurance Rates



Canadian Automobile Insurance Rate Regulators Association

The Canadian Automobile Insurance Rate Regulators Association (CARR) was formed in 2007, with the objective of sharing best practices, education, exchanging information and discussing key issues through committees, conferences and webinars. It is a self-supporting, not for profit organization of provincial automobile insurance rate regulators. The Board is a member of CARR and NBIB's Chair and CEO, Marie-Claude Doucet, is the current past Chair of the organization.



Appendix A

NEW BRUNSWICK INSURANCE BOARD

Financial Statements

Year Ended March 31, 2025

NEW BRUNSWICK INSURANCE BOARD
Index to Financial Statements
Year Ended March 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of New Brunswick Insurance Board

Opinion

We have audited the financial statements of New Brunswick Insurance Board (the organization), which comprise the statement of financial position as at March 31, 2025, and the statements of operations and accumulated surplus, changes in net financial debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 report. We are independent of the organization in accordance with 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.

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 PSAS, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Independent Auditor's Report to the Members of New Brunswick Insurance Board *(continued)*

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 these 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 organization'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 organization'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 organization 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.

We 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.

Saint John, NB
July 9, 2025


Chartered Professional Accountants, P.C. Inc.

NEW BRUNSWICK INSURANCE BOARD
Statement of Financial Position
March 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash (Note 2)	\$ 1,136,657	\$ 960,885
Accounts receivable (Notes 2, 3)	3,107,971	2,627,274
Harmonized sales tax recoverable (Note 2)	<u>44,098</u>	<u>175,202</u>
	<u>4,288,726</u>	<u>3,763,361</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 3)	321,197	145,866
Employee deductions payable	15,391	13,330
Deferred assessments (Note 6)	4,129,549	3,833,572
Long term debt (Notes 3, 7)	<u>91,577</u>	<u>146,523</u>
	<u>4,557,714</u>	<u>4,139,291</u>
NET FINANCIAL DEBT	<u>(268,988)</u>	<u>(375,930)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses (Note 2)	7,025	7,554
Tangible capital assets (Notes 2, 4, 7)	<u>261,963</u>	<u>368,376</u>
	<u>268,988</u>	<u>375,930</u>
ACCUMULATED SURPLUS	<u>\$ -</u>	<u>\$ -</u>

LEASE COMMITMENTS (Note 9)

ON BEHALF OF THE BOARD

 Chairperson
 Vice-Chairperson

See notes to financial statements

NEW BRUNSWICK INSURANCE BOARD
Statement of Operations and Accumulated Surplus
Year Ended March 31, 2025

	Total 2025	Total 2024
REVENUE (Note 2)		
Assessments	\$ 2,830,540	\$ 2,622,945
Interest	71,348	67,723
Other revenue	-	358
	2,901,888	2,691,026
OPERATING DISBURSEMENTS		
Wages, benefits and other employee costs (Note 5)	1,235,402	1,252,312
Rent	201,535	191,531
Office expenses	103,433	122,963
Training and education	59,389	69,903
Interest on long term debt	13,413	18,964
Consulting services	-	20,859
Amortization	106,040	132,716
	1,719,212	1,809,248
REGULATORY DISBURSEMENTS		
Actuarial services	952,706	586,785
Hearing expenses	105,723	100,364
Board compensation	105,182	104,829
Board member meetings and education	19,065	52,506
Consulting services	-	37,294
	1,182,676	881,778
ANNUAL SURPLUS	-	-
ACCUMULATED SURPLUS - BEGINNING OF YEAR	-	-
ACCUMULATED SURPLUS - END OF YEAR	\$ -	\$ -

See notes to financial statements

NEW BRUNSWICK INSURANCE BOARD
Statement of Changes in Net Financial Debt
Year Ended March 31, 2025

	2025	2024
ANNUAL SURPLUS	\$ -	\$ -
Amortization	106,040	132,716
Purchase of tangible capital assets	-	(18,312)
Proceeds on disposal of tangible capital assets	372	25,226
Decrease in prepaid expenses	530	2,831
	<u>106,942</u>	<u>142,461</u>
INCREASE IN NET FINANCIAL ASSETS	106,942	142,461
NET FINANCIAL DEBT - BEGINNING OF YEAR	(375,930)	(518,391)
NET FINANCIAL DEBT - END OF YEAR	\$ (268,988)	\$ (375,930)

See notes to financial statements

NEW BRUNSWICK INSURANCE BOARD
Statement of Cash Flows
Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Annual surplus	\$ -	\$ -
Item not affecting cash:		
Amortization	<u>106,040</u>	132,716
	<u>106,040</u>	132,716
Changes in non-cash working capital:		
Accounts receivable	(480,697)	(1,063,249)
Harmonized sales tax recoverable	131,104	16,315
Accounts payable and accrued liabilities	175,333	(156,159)
Employee deductions payable	2,061	13,330
Deferred assessments	295,977	126,927
Prepaid expenses	<u>529</u>	2,830
	<u>124,307</u>	(1,060,006)
Cash flow from (used by) operating activities	<u>230,347</u>	(927,290)
INVESTING ACTIVITIES		
Purchase of tangible capital assets	-	(18,312)
Proceeds on disposal of tangible capital assets	<u>372</u>	25,226
Cash flow from investing activities	<u>372</u>	6,914
FINANCING ACTIVITY		
Repayment of long term debt	<u>(54,947)</u>	(73,262)
Cash flow used by financing activity	<u>(54,947)</u>	(73,262)
INCREASE (DECREASE) IN CASH FLOW	175,772	(993,638)
Cash - beginning of year	<u>960,885</u>	1,954,523
CASH - END OF YEAR	\$ 1,136,657	\$ 960,885
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	<u>\$ 71,348</u>	<u>\$ 67,723</u>

See notes to financial statements

NEW BRUNSWICK INSURANCE BOARD
Notes to Financial Statements
Year Ended March 31, 2025

1. PURPOSE OF THE BOARD

Effective October 15, 2004, the New Brunswick Insurance Board (NBIB) commenced regulatory responsibility for automobile insurers in New Brunswick. NBIB operations began October 1, 2004.

The NBIB is exempt from income tax under Section 149(1)(d) of the Canadian Income Tax Act and recovers 100% of the harmonized sales tax (HST) paid. HST is not collected on assessments to the insurance companies.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS). Canadian public sector accounting standards are part of Canadian Generally Accepted Accounting Principles.

Cash and cash equivalents

Cash includes cash and cash equivalents. NBIB considers balances with bank, net of overdrafts, as cash and cash equivalents.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not being consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver services, may be consumed in normal operations and are not for resale.

Revenue recognition

NBIB follows the deferral method of accounting for receipts.

Restricted receipts are recognized as revenue in the year in which the related expenses are incurred. Unrestricted receipts are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured (see note 6).

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following annual rates and methods:

Leasehold improvements	10 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Computer equipment	33%	declining balance method
Computer software	50%	declining balance method
Systems software	50%	declining balance method

NBIB regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

(continues)

NEW BRUNSWICK INSURANCE BOARD
Notes to Financial Statements
Year Ended March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

(a) Credit risk

The NBIB is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

Management believes concentrations of credit risk with respect to accounts receivable is limited due to the nature of the transactions between the NBIB and the insurance companies.

(b) Liquidity risk

Liquidity risk is the risk that the NBIB will encounter difficulty in meeting obligations associated with financial liabilities. The Board is exposed to the risk mainly in respect of its receipt of funds from its customers and other related sources, accounts payable and accrued liabilities and other obligations.

(c) Market risk

The NBIB is exposed to market risk through the fluctuation of financial instruments fair values due to changes in market prices. The significant market risk to which the NBIB is exposed is interest rate risk.

(d) Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The interest rate exposure of the NBIB arises from its interest bearing assets and long-term debt.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

NEW BRUNSWICK INSURANCE BOARD
Notes to Financial Statements
Year Ended March 31, 2025

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Leasehold improvements	\$ 389,578	\$ 193,659	\$ 195,919	\$ 234,877
Furniture and fixtures	128,816	120,909	7,907	33,621
Computer equipment	225,143	192,100	33,043	49,690
Computer software	63,146	62,267	879	1,759
Systems software	115,810	91,595	24,215	48,429
	<u>\$ 922,493</u>	<u>\$ 660,530</u>	<u>\$ 261,963</u>	<u>\$ 368,376</u>

5. FUTURE EMPLOYEE BENEFITS

Pension Plan

The employees of the NBIB participate in the Province of New Brunswick Public Service Shared Risk Plan (PSSRP) that became effective January 1, 2014. The plan is administered by the Province of New Brunswick through a Board of Trustees. The NBIB is required to make the following contributions to the PSSRP:

From January 1, 2019 to December 31, 2023: 12.0% of an employee's eligible earnings

From January 1, 2024 to December 31, 2028: 11.25% of an employee's eligible earnings

Effective January 1, 2029: employer and employee contribution rates will be re-determined and will become equal.

The NBIB's financial participation in the plan is limited to the annual amounts contributed based on the preceding percentages.

For the year ending March 31, 2025, the NBIB's pension contributions amounted to \$112,210 (2024 - \$112,944).

6. DEFERRED ASSESSMENTS AND CAPITAL MANAGEMENT

The NBIB's expenses are funded 100% by the companies selling automobile insurance in the Province of New Brunswick. Annually, in advance of the coming fiscal year, the NBIB prepares an expense budget and assesses each company based on its proportion of the automobile premiums written in the Province of New Brunswick in the previous calendar year. Deferred assessments represent the assessments billed to the insurance companies in advance based on the budgeted expenses plus or minus adjustments between budgeted expenses and actual expenses, as determined at each fiscal year-end.

NEW BRUNSWICK INSURANCE BOARD
Notes to Financial Statements
Year Ended March 31, 2025

7. LONG TERM DEBT

	2025	2024
703732 NB Ltd loan bearing interest at prime plus 2% per annum, repayable in annual principal payments of \$73,262 plus interest. The loan matures on March 31, 2027 and is secured by leasehold improvements.	\$ 91,577	\$ 146,523

Principal repayment terms are approximately:

2026	\$ 73,262
2027	18,315
	\$ 91,577

8. RELATED PARTY TRANSACTIONS

The NBIB is related to all Province of New Brunswick departments, agencies and Crown Corporations by virtue of common control.

9. LEASE COMMITMENTS

The NBIB negotiated an operating lease of its office premises for a period of 10 years and 6 months commencing January 1, 2021. The future minimum annual payments under the lease terms are as follows:

April 1, 2023 - March 31, 2031: \$148,797

January 1, 2031 - June 30, 2031: \$74,399

The NBIB negotiated an operating lease for a new Xerox Multifunction printer in April, 2020. The minimum annual payments under the lease terms are as follows:

April 1, 2021 - March 31, 2025: \$1,662

April 1, 2025 - October 31, 2025: \$831

Appendix B

Filings Reviewed in 2025

The NBIB filing guidelines detail for industry the manner and specifications that will be expected in filings made throughout the year. The guidelines are posted on the NBIB website.

The following can be viewed or downloaded on the NBIB website by scanning the applicable QR code:

Filing Packages and Guidelines



Decisions



Private Passenger Vehicles

INSURANCE COMPANY NAME	APPROVED AVERAGE RATE CHANGE
Allstate Insurance Company of Canada	0.00%
Aviva General Insurance Company	0.00%
Aviva Insurance Company of Canada	0.00%
Belair Insurance Company Inc. (1st Filing)	0.00%
Belair Insurance Company Inc. (2nd Filing)	Under Review
CAA Insurance Company	2.98%
Certas Home and Auto Insurance Company	0.00%
Chubb Insurance Company of Canada	-8.45%
Continental Casualty Company	0.00%
Co-operators General Insurance Company (1st Filing)	2.92%
Co-operators General Insurance Company (2nd Filing)	Under Review
CUMIS General Insurance Company	1.72%
Definity Insurance Company (1st Filing)	Under Review
Definity Insurance Company (2nd Filing)	Under Review
Echelon Insurance (1st Filing)	3.00%
Echelon Insurance (2nd Filing)	Under Review
Endurance Specialty Insurance Ltd.	Under Review
Federated Insurance Company of Canada	0.00%
Hartford Fire Insurance Company	0.00%
Insurance Company of Prince Edward Island	Under Review
Intact Insurance Company	Under Review
Liberty Mutual Insurance Company	0.00%
Northbridge General Insurance Corporation	0.00%
Pafco Insurance Company	0.00%
Pembridge Insurance Company	0.00%
Personal Insurance Company	0.00%
Portage la Prairie Mutual Insurance Company	-1.63%
Primum Insurance Company (1st Filing)	0.00%
Primum Insurance Company (2nd Filing)	Under Review
Promutuel de l' Estuaire Société mutuelle d' assurance générale	Under Review
Security National Insurance Company (1st Filing)	0.00%
Security National Insurance Company (2nd Filing)	Under Review
Sompo Japan Insurance Inc.	Under Review
Sonnet Insurance Company	Under Review
Sovereign General Insurance Company	0.00%
TD Home and Auto Insurance Company (1st Filing)	0.00%
TD Home and Auto Insurance Company (2nd Filing)	Under Review
Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.00%
Traders General Insurance Company	0.00%
United General Insurance Corporation	Under Review
Verassure Insurance Company	0.00%
Wawanesa Mutual Insurance Company (1st Filing)	0.00%
Wawanesa Mutual Insurance Company (2nd Filing)	Under Review
XL Specialty Insurance Company	0.00%
Zenith Insurance Company	0.00%

* Appendix B is comprised of filings that were submitted and reviewed in 2025

* Approved rates were accurate at time of preparing this report

Commercial and Interurban Vehicles

INSURANCE COMPANY NAME	VEHICLE CLASS	APPROVED AVERAGE RATE CHANGE
Aviva Insurance Company of Canada (1st Filing)	Commercial	0.00%
Aviva Insurance Company of Canada (2nd Filing)	Interurban	0.00%
Certas Home and Auto Insurance Company	Commercial	0.00%
Chubb Insurance Company of Canada (1st Filing)	Commercial	0.00%
Chubb Insurance Company of Canada (2nd Filing)	Interurban	0.00%
Continental Casualty Company (1st Filing)	Commercial	0.00%
Continental Casualty Company (2nd Filing)	Interurban	0.00%
Co-operators General Insurance Company	Commercial & Interurban	0.01%
Definity Insurance Company (1st Filing)	Commercial & Interurban	0.00%
Definity Insurance Company (2nd Filing)	Commercial	Under Review
Dominion of Canada General Insurance Company	Commercial & Interurban	0.00%
Echelon Insurance	Commercial & Interurban	3.00%
Endurance Specialty Insurance Ltd.	Commercial	Under Review
Facility Association	Interurban	0.00%
Federated Insurance Company of Canada	Commercial & Interurban	2.98%
Hartford Fire Insurance Company	Commercial	0.00%
Insurance Company of Prince Edward Island (1st Filing)	Commercial	Under Review
Insurance Company of Prince Edward Island (2nd Filing)	Interurban	Under Review
Intact Insurance Company	Commercial & Interurban	2.30%
Liberty Mutual Insurance Company (1st Filing)	Interurban	0.00%
Liberty Mutual Insurance Company (2nd Filing)	Commercial	0.00%
Northbridge General Insurance Corporation	Commercial & Interurban	2.93%
Portage la Prairie Mutual Insurance Company	Commercial	Under Review
Promutuel de l'Estuaire Société mutuelle d'assurance générale	Commercial	1.79%
Protective Insurance Company (1st Filing)	Commercial	0.00%
Protective Insurance Company (2nd Filing)	Interurban	0.00%
Security National Insurance Company	Commercial	2.83%
Sompo Japan Insurance Inc.	Commercial	Under Review
Sovereign General Insurance Company (1st Filing)	Commercial	0.02%
Sovereign General Insurance Company (2nd Filing)	Interurban	0.01%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Commercial & Interurban	-2.49%
United General Insurance Corporation	Commercial	0.00%
Wawanesa Mutual Insurance Company	Commercial	Under Review
XL Specialty Insurance Company	Commercial & Interurban	0.00%

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