

President's Report

For the Board Meeting of: 1/14/2021

Executive Summary

Another good start in 2021; not a rocket launch, but several hundred thousand of underwriting profit to start the year off. Weather is certainly helping us out as winter driving doesn't get much better than this. As we expected, growth was down slightly to 7.6% (our budget for 2021 is 7.9%).

The big news though is yearend. It is Donna's first and of course it has been successful meeting all the tight time deadlines. I played a very small roll working on reinsurance premiums. In addition to my year end management report to go with the P&C1, we are required to send a business plan, strategic plan, Budget for 2021 including a balance sheet and MCT estimate. I am working on modifying the budget to assist in creating a balance sheet projection and to determine MCT. It's going to be an interesting challenge and will involve a lot of hours enhancing the budget excel file. In addition Donna has made and is continuing to make some changes to the GL accounts. This will improve our budgeting and reporting ability in the future but has affected my budget file which imports GL accounts. We are working to get this up and running again. Incorporating budgeted numbers in the management reports is also in the works. The management presentation at the February meeting will be the same as in prior quarters but the presentation on the first quarter of 2021 will have some enhancements. Our financials for 2020 will be reviewed on Friday with the audit committee and distributed to the board in the afternoon. We have better results than anticipated with underwriting profit of \$2.6 million and investments actually went up in December so the investment income was \$3.5 million after fees.

Christine and I started our meetings (virtually) with our brokers and she will cover that in her report.

Zoom has created too much opportunity for meetings, as I have had 25 meeting in the days between January and February's board meetings.

Action Items

My report is attached.

A project that wasn't on the list was the Virtual AGM. Warren has worked out a great on-line registration through Zoom. Ryan created the webpage. Barb handled notice of the annual meeting and Ashley is working on the annual meeting powerpoint file. Donna and I have just provided some input but it has been a great team and we are set "technically" to start the registration process. I mentioned in the staff meeting that we will be having a trial run and would appreciate staff coming to that as policyholders, so we are practicing on a significant group size.

Simply go to our webpage and click on annual meeting to register.

Department Update

I have met with two of my managers one-on-one and we have had management meetings and a leadership team meeting in the last month. A staff meeting was held on the Thursday before the board and we reviewed year end results, pandemic stages, HR, projects and shared a few stories. People seem to be in good spirits generally.

Current / Emerging Issues

There a new bill coming out that has to do with the spread of COVID and the liability that can occur as well as the situations where you are protected from liability. We will be following this from a claims, underwriting and even HR perspective.

Other

Carolynn is working with Heather @ Kirwin's and is close to a candidate for Claims Administrator. The next position is claims adjuster and that will be advertised shortly.

I reached out to our fellow mutuals and have asked for any templates for interviewing potential directors. I have received four which will be passed on to the nomination committee.

Annual Meeting minutes were not prepared for last year, however we had hand written notes and were able to create something out of them. I assume it was the proximity to the pandemic that this happened to get missed.

Respectively Submitted

A handwritten signature in black ink, consisting of a stylized, cursive name followed by a long horizontal flourish that ends in a small arrowhead pointing to the right.