

For the Board Meeting of: 7/15/2021

Executive Summary

June was a positive month on many fronts for me and my department! First of all, as the Covid numbers continue to decrease, there has been a drive from my team members to pro-actively come back into the office environment where there was a day in which 10 of us showed up! A little too many but a positive sign nonetheless. With the implementation of Covid rapid tests in the office, it adds another layer of comfort for people coming into the office that we as a group are safe and conscious of each other's well-being. June flew by as I look back on the month but while I was in the midst of it, it was a grinding month for me trying to balance many tasks at one time. At the beginning of the month, I attended the OMIA Managers' Conference. Hopefully, we can attend in person next year! I'm proud that I successfully completed the 3-week, 3-exam CIAA Fundamentals of Insurance Accounting course, passing all 3 exams and finishing the course with a "B" average, which for my standards is a pretty good mark considering I haven't taken an accounting course since my university days 22+ years ago! With the course on-going, we were also successful with the implementation of our last phase of Cognition+ Commercial in our department right on the tails of the Farm being implemented so I'm proud to say that we are the 1st mutual company to be 100% fully implemented in all underwriting lines of business! In addition, I am also teaching courses for the Insurance Institute and have been chosen as part of the hiring committee for the selection of a VP for OMAP, the newly created group replacing Company 789. All that without forgetting about my team and keeping morale and service standards up. I can say that I will probably be taking some vacation time over the summer!

Update on my Department

June was an exciting month and a sigh of relief for the department with 100% of the team on the Cognition+ platform. A special thanks to Donna and Barb for all their work and persistence in making sure each and every implementation went as smoothly as possible. Our latest and last phase of the implementation was one to be extremely proud of as we pulled it off in 6 weeks! This entailed having Lori and Tiffany coming into the office and being trained by me for the first 4 weeks and the last 2+ weeks with Donna refining the system and scripts to ensure smooth transacting. Training of the new staff (Nick Ainsworth and Katherine Nemeth) have been going smoothly. After a few weeks, I can see a bright future for these two youngsters at HTM if they keep going down the path they are on right now. We are also transitioning some of our staff with Lindsay's upcoming Maternity Leave in August so that service and work levels are maintained. Many of the team members are looking to work from the office moving forward and as a result, to keep numbers at a safe level, we have implemented a month-to-month calendar for the entire department to ensure that there is no more than 8 team members in the department on

a given day. Otherwise, team morale and chemistry is at a high level with all team members putting in the extra effort to pitch in and help each other out.

Covid - In-Office Schedule

For the Month of: July
Department Name: Underwriting

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Nick	Kelley	Lindsay (July 7, 14, 28)	Kelley	Nick
Katherine	Nick	Kelley	Nick	Kay
Kay	Katherine	Tiffany G.	Jade	Jade
Allison	Tiffany G.	Katherine	Rosie	Tara
Rosie	Kay	Jade	Tara	Bobi
Tara	Allison	Bobi	Sandra	Lori
Bobi	Sandra	Tiffany C.	Bobi	
Tiffany C.		Lori		
		Kay		

Update on Major Goal(s)

Cognition+ Implementation

My goal when I first started at HTM has been the Cognition+ implementation to replace the IBS system. I am proud to say that after less than 2 years, the Underwriting department is now 100% online on Cognition+. Normally, something like this is a huge challenge even with full staffing in the office and periodic travelling to and from London with the Cognition+ team. We were able to complete about 70% of the implementation virtually which is something to be super proud of! We are now the ONLY mutual company to be fully implemented on Cognition+ in Underwriting and have paved the way for all other mutual companies in their implementation process. We have set quite a high standard for other mutuals to follow by.

Training Videos for Staff

I will be starting to create some training videos for the department and for staff in the coming months with a goal of 10 to finish by the end of 2021. Thus far, I have completed 2 videos.

Continuous Education

I have completed the CIAA Fundamentals of Insurance Accounting course and have completed my continuous education goal for this year. I will probably be looking at some Executive education course for 2022.

Emerging or Future Issues

I am on the hiring and organizing committee for the newly formed OMAP (Ontario Mutual Automobile Plan) to replace Company 789. In the coming weeks, we will begin our outreach in finding a Vice President that will lead OMAP. With the portfolio at \$250+ million and growing, we are going to need a dedicated team to manage this book of business and allow for us to have the resources to compete and stay in line with the auto insurance industry as a whole.

Underwriting Results

Underwriting results for the month showed robust growth at 6.6% which is the highest percentage of growth that we've achieved in a month in 2021. This is an increase from the 2.8% growth in May. It's good to see that all 4 lines are showing positive growth as for the past few months, our premiums written in the Auto line have been decreasing. The automobile line continues to be stagnant in 2021 which seems to be the trend of many mutual companies with reduced usage and distance travelled of vehicles due to the Covid lockdown. From what I can see, another reason for the lack of growth is also the rate increases and changes from our rate filing effective in May.

Premiums Written - (for the Month)

By Policy Class with Budget Comparison

Policy Class	Current	Prior	Change #	Change %	Budget	Off Budget \$	Off Budget %
Auto	785,553	778,607	6,946	0.9%	882,450	(96,897)	(11.0%)
Commercial	410,298	397,566	12,732	3.2%	457,516	(47,218)	(10.3%)
Farm	831,382	770,439	60,943	7.9%	816,680	14,702	1.8%
Residential	1,573,195	1,430,049	143,146	10.0%	1,570,428	2,767	0.2%
Total	3,600,428	3,376,661	223,767	6.6%	3,727,074	(126,646)	(3.4%)

New policy count is one policy off of our 2021 high of 198 at 197 PIF for June. Much of our growth has been in the Farm and Residential line which matches our Premiums Written number. Auto and Commercial continue to be stagnant as these two lines are the most affected by the Covid lockdown.

New Policy Count - (for the Month)

By Policy Class

Policy Class	Current	Prior	Change #	Change %
Auto	44	53	(9)	(17.0%)
Commercial	31	30	1	3.3%
Farm	18	9	9	100.0%
Residential	104	80	24	30.0%
Total	197	172	25	14.5%

Premiums from new business for June grew quite a bit except in the Automobile line and was significantly more than the same time as June 2020. If you look at the most significant line, it is surprisingly our historically "sleepy" line of Farm that is outpacing all the other lines. This growth is largely due to the service we are providing our brokers on the farm line of business now that we have a full farm underwriting team that is providing our brokers/agents with the technical knowledge that was lacking before. Much of the farm business is net new and written with brokers that have not traditionally provided us with any farm risks.

New Policy Premiums - (for the Month)

By Policy Class

Policy Class	Current	Prior	Change \$	Change %
Auto	65,254	80,179	(14,925)	(18.6%)
Commercial	64,082	41,218	22,864	55.5%
Farm	66,673	19,417	47,256	243.4%
Residential	149,130	100,622	48,508	48.2%
Total	345,139	241,436	103,703	43.0%

Respectfully Submitted,



"We act with heart."

We care about what you care about. We are thoughtful and considerate of your needs and well-being.