



4/13/2022

Committee Meeting Minutes of April 13, 2022

ATENDING DIRECTORS:

Dave Rutherford, Chair
Allan Sheppard
Nancy Brown
Richard Barrett

ATENDING STAFF:

Alec Harmer, President

REGRETS:

Alec Harmer
RECORDING SECRETARY

MISSION

“To protect your future as if it’s our own”

VISION

“Our family striving to provide you with peace of mind by protecting your tomorrows today”

Opening of the Meeting

Dave welcomed everyone to the meeting. The executive meeting will discuss CEO performance, board meetings & broker forum.

CEO Performance

The executive committee is making an effort to improve and formalize the CEO review process. The committee members discussed the activities that are most important to the board, such as overall quality of board meetings, financial reviews, etc. A list of points to help guide a more formal review process was developed as shown below:

CEO Performance checklist for the executive on a quarterly basis:

1. Board meetings (content, preparation, timing, presentation, etc.)
2. Financial Reporting (able to understand financial information, responsive to questions, reviews budget)
3. Strategic Plan (updates board on activities in alignment with the plan)
4. Governance Activities (updates the board on policy changes, service standards, and educational opportunities)
5. Issues (provides the board with information on critical issues, emerging issues and updates from industry organizations [FM Re, OMIA, etc.])
6. CEO performance (at least one update per quarter on the CEO performance tool)
7. Timelines and Project – has exec been informed of changes to action items and supportive of the CEO on these projects.
8. Does the CEO have any feedback about board meetings to discuss with the executive?

CEO Performance checklist for the executive on an annual basis:

1. Financial Reporting (Annual Report and P&C1, provides the board with a full understanding of the financial year, budget comparison, and accountable for audit results)
2. Budget for next year (Provides a comprehensive budget, aligned to strategic plan)
3. Strategic plan (Provides a full review of action items that were accomplished compared to those that were targeted to be accomplished, creates an opportunity for strategic discussions)
4. 360 Review process (Provides committee with peer review feedback, CEO’s insights on feedback and develops the CEO performance tool for the following year)

This list will be amended, when necessary, after we have “tried it out”.

Alec is to schedule meetings with the executive in advance for the year to ensure the review is done on a consistent basis. The meetings should also be coordinated with board meetings so the executive can receive timely input from the whole board. At board meetings, in the in-camera session, the chair will ask for input from the board on the CEO. Both positive actions and constructive criticism will be solicited. It was discussed that the feedback to the CEO should be “from the board” and not individual directors. The chair will provide any feedback they receive from the in-camera sessions to the CEO at their quarterly meetings. If a serious situation is brought up, the chair would discuss it immediately with the CEO following the board meeting.

Board Meetings

The committee talked about how we can sometimes get bogged down in the weeds on operational topics. Alec mentioned that it happens on both sides as he can bring the conversation down as well. In the past, when we receive questions, the solution was always to provide more information, more detail. More information and more detail often results in more questions and not less. We need to stop ourselves from time to time, and discuss the merits of a request for further information/detail and the relevance to the governance requirements of the board. Dave told Alec not to be afraid to speak up if he feels he is asked a question that will pull us down into operations. We should have a better understanding of what is critical for governance and what may be just “nice to know”, which should not result in significant conversation.

In terms of the number of meetings the directors have, the committee felt this topic needs to be formally addressed at the board. The company is well run and in a strong financial position that meeting on a monthly basis is not required as a good governance practice. At the in-camera session of the April board meeting, Dave is to bring forward a proposal from the executive committee. In essence, the committee felt that a break in the summer month of August would be appropriate. In most years, the board does get together in August for a planning session and the CEO would still provide a financial report to the end of July, a summary of what has occurred along with the usual correspondence. Board members would be expected to review this information as they would if there was an August meeting. The committee also believes that a meeting in the first week of February with auditors will be the normal practice and that the January meeting could be skipped. Any critical issues from December or yearend could be brought up at this meeting. And finally, even though we may not schedule a meeting in these two months (August/January), if something comes up, a meeting could still be called. The committee said August per diems would be paid for as normal and suggests we look at a hybrid remuneration policy for 2023, which includes an annual per-diem (paid monthly) for normal meetings (and possibly conventions), and leave daily per diems for committee meetings, education and ad hoc only.

Broker Forum

Alec indicated that he is looking at the possibility of having a broker forum. Alec reiterated that this function is completely operational. Alec asked, to help provide the opportunity to have a function and provide the best density, that only the chair attend on behalf of the board. We would only inviting broker principles (and would be eliminating duplicates from an individual brokerage group(s)) and not inviting our agents (we are doing something with them separately). The executive committee agreed with this recommendation.

Next Meeting

Alec is to book the next quarterly meeting, which would be July as well as the remainder of 2022.

Adjournment of the Meeting

The meeting was adjourned at 1:20 p.m. by Dave.

Date

Dave Rutherford, Chair

Barb Dinnage, Secretary