

For the Board Meeting of: 4/21/2022

Executive Summary

And just like that, the first quarter of 2022 has come to an end! We have had some major milestones throughout the past three months, and I am excited to see what the next three quarters bring. Our Marketing Project is four months in, and we have made great headway with our Website, which will be launching in July. We have spent a lot of time deciding what our Agent Logo will look like (reveal below in the Agent section!), and have been working on an advertisement plan, which includes target marketing solutions. Amanda officially started with HTM Insurance on April 1st and we are happy to have her join the team of agents with her many years of experience as an agent for HTM. I have met Adam from HRC Insurance several times, including the last with Warren and Alec, and we are looking at moving forward with a contract with this new brokerage. This will allow us to expand our territory a little further North and in areas we are currently not represented.

Update on my Department

With the official signing completed for the purchase of Pearson Insurance, we have a lot of changes happening within the Agent Department. We have a lot of tasks to complete to ensure the transition is smooth, including sending out letters to all of Pearson's clients informing them of the change, setting up phone systems in the offices, getting the agents onto Cognition +, having our accounting processes switched over and many more tasks! Amanda had her first day with HTM Insurance, and spent the day in our office on April 4th. Each Manager took time to sit with Amanda and give her training on their department. We have met with the agents to discuss what the future holds now that we have four agents employed with HTM. We will be creating a joined department for the agents, so they are all available to help service our agent clients. The agents took this news well and we are beginning to work on a plan on how we will best service our policyholders with this new approach.

As mentioned, the new Agent Logo has been chosen. We are excited to be able to use this new logo for many branding opportunities to distinguish the Agents.



The agents have written 16 new business year-to-date.

Update on Major Goal(s)

Consumer Portal Project – On hold waiting for the recent update that is coming soon.

Marketing – Great progress has been made with our Marketing Project. The Website is being created by AdHome, and the Agent Logo has been complete.

Pearson Insurance – Agreement has been signed. Amanda began working with HTM.

Broker / Agent Results

Written premium ended the month at \$7,135,049 in total, \$6,495,012 of this is broker premium and \$640,037 or 9.0% is agent premium. Premium growth for the brokers is sitting at 4.7%, an increase from 3.9% in February, with auto in a negative growth position. The agents saw a slight premium increase of 0.3%, an increase from a negative 7.5% in February, with auto and farm continuing to see negative growth.

Broker vs. Non-Broker Business (Year-to-Date)

Premiums Written by Class of Business

Policy Class	Written Broker	Written Non-Broker	% Non-Broker	Growth Broker	Growth Non-Broker
Auto	1,558,089	220,132	12.4%	(1.7%)	(3.6%)
Commercial	914,267	63,030	6.4%	3.7%	10.2%
Farm	1,678,161	263,715	13.6%	8.8%	(3.8%)
Residential	2,344,495	93,160	3.8%	7.0%	14.8%
Total	6,495,012	640,037	9.0%	4.7%	0.3%

The chart below shows the policy counts for the broker portfolio compared to the agent portfolio. The policies in-force count had no growth to the end of March for a total of 19,016 policies, a decrease of 13 policies compared to February. Our agent business grew 0.1%, down from 0.7% in February for a total of 1,505 policies. The percentage of agent's policies in force compared to our entire book is 7.3%.

Broker vs. Non-Broker Business (Year-to-Date)

Policy Counts by Class of Business

Policy Class	Written Broker	Written Non-Broker	% Non-Broker	Growth Broker	Growth Non-Broker
Auto	4,964	658	11.7%	(0.9%)	0.0%
Commercial	1,741	85	4.7%	(1.1%)	(1.2%)
Farm	2,546	277	9.8%	1.3%	(5.5%)
Residential	9,752	485	4.7%	0.3%	3.9%
Total	19,003	1,505	7.3%	0.0%	0.1%

2022 Gross Claims to date are illustrated in the following table. Brokers' incurred claims year-to-date total \$5,330,125, an increase of \$1,681,157 from February, with a loss ratio of 66.5%. Non-broker total claims ended the year at \$195,306, and increase of \$185,736 from February resulting in a 3.5% loss ratio.

Broker vs. Non-Broker Business (Year-to-Date)

Gross Claims Incurred by Class of Business

Policy Class	Incurred Broker	Incurred Non-Broker	% Non-Broker	Loss Ratio Broker	Loss Ratio Non-Broker
Auto	1,491,551	38,760	2.5%	84.8%	15.9%
Commercial	713,091	10,500	1.5%	70.3%	19.0%
Farm	456,709	129,324	22.1%	23.6%	45.3%
Residential	2,668,775	16,722	0.6%	80.8%	11.7%
Total	5,330,125	195,306	3.5%	66.5%	26.9%

*Note: Non-Broker includes Karen Sero, Scott Hutchings, Cameron Atkinson and Pearson Insurance

Respectfully Submitted,

Christine Howe