

**For the Board Meeting of: 5/19/2022**

## **Executive Summary**

April was another productive month with a lot of time going into the Pearson Insurance purchase and what the new Agent Structure will look like, the signing of our new broker, and continuing to work on the marketing project. We have made the decision to end our relationship with Roughley Insurance in Oshawa, so we will begin to see that business leave our book in September, which is approximately 40 policies in total. Training is underway with our new broker, HRC Insurance. The staff are excited to begin writing business with HTM and we look forward to building our relationship. Warren has worked on defining our new territory with the expansion North to include the writing territory of HRC Insurance.

## **Update on my Department**

We are continuing to work out the details of what the new Agent Department will look like. The agents are coming into the office on May 25<sup>th</sup> for a team meeting to talk about shared processes and procedures. We have also been working with Tim on finalizing a letter to his clients which is now being sent out notifying them of the upcoming changes to his office. We will be interviewing soon for a summer student to work out of the office as well to assist with administrative duties when Sharon retires on June 30<sup>th</sup> 2022.

Karen and Cameron have both passed their CIP courses they recently took, and are both taking a much deserved break over the summer!

The agents have written 25 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 \$10,418,412 in total, \$9,493,738 of this is broker premium and \$924,674 or 8.9% is agent premium. Premium growth for the brokers is sitting at 4.2%, down slightly from March, with auto continuing to be in a negative growth position. The agents saw a slight premium decrease of 0.4%, which is down 1% from last month, 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	2,349,714	347,765	12.9%	(0.7%)	(5.7%)
Commercial	1,443,863	76,923	5.1%	3.4%	4.6%
Farm	2,343,034	359,717	13.3%	7.1%	(1.5%)
Residential	3,357,127	140,269	4.0%	6.2%	12.8%
<b>Total</b>	<b>9,493,738</b>	<b>924,674</b>	<b>8.9%</b>	<b>4.2%</b>	<b>(0.4%)</b>

The chart below shows the policy counts for the broker portfolio compared to the agent portfolio. The policies in-force count had a slight negative growth to the end of April for a total of 18,970 policies in our broker portfolio, a decrease of 33 policies compared to March. Our agent business decreased by 0.8%, down from 0.1% in March for a total of 1,497 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	4,961	655	11.7%	(1.1%)	(0.9%)
Commercial	1,733	84	4.6%	(1.5%)	(2.3%)
Farm	2,548	276	9.8%	0.8%	(5.5%)
Residential	9,728	482	4.7%	0.1%	2.6%
<b>Total</b>	<b>18,970</b>	<b>1,497</b>	<b>7.3%</b>	<b>(0.3%)</b>	<b>(0.8%)</b>

2022 Gross Claims to date are illustrated in the following table. Brokers' incurred claims year-to-date total \$7,062,869, an increase of \$1,732,744 from March, with a loss ratio of 65.9%. Non-broker total claims ended the year at \$209,690, and increase of \$14,384 from March resulting in a 21.6% 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	1,742,755	42,986	2.4%	74.1%	13.2%
Commercial	745,591	10,500	1.4%	54.9%	14.3%
Farm	696,446	119,504	14.6%	26.8%	31.3%
Residential	3,878,077	36,700	0.9%	88.0%	19.2%
<b>Total</b>	<b>7,062,869</b>	<b>209,690</b>	<b>2.9%</b>	<b>65.9%</b>	<b>21.6%</b>

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

Respectfully Submitted,

*Christine Howe*