

For the Board Meeting of: 9/15/2022

Executive Summary

The numbers in this month's report come with an asterisk for accuracy. The transition from IBS to Cognition reporting features has been bumpy. IBS reporting capabilities are deteriorating while Cognition's menu is under construction/renovation and unfamiliar. QlikSense represents a third database and not all produce the same data or alignment. What is evident across all platforms is that the YTD losses are astounding.

Firstly, a brief summary of July and August results. July booked 75 new claims for a new claim incurred of \$1,642,778. Specifically, a localized July 24 storm in the Marmora-Tweed corridor produced several claims, two accounting for \$595,000. August recorded 65 claims for a new claim incurred of \$2,120,213 with two dwelling fires accounting for \$1,109,668. However, Gross Incurred hit \$3,093,687 on added reserve from the CAT.

Year to Date Results in bullet format:

- New Claim Incurred – 943 claims for \$27,323,338
 - Non-CAT- 549 claims for \$14,934,588
 - CAT – 394 claims for \$12,388,780
- Gross Claims Incurred - \$28,046,011
 - All Prior Year by Occurrence Date - \$1,180,053
 - Negative Development – \$823,887
 - Incurred but Not Reported (IBNR) - \$356,167
- Outstanding Claims
 - As at September 7, 2022
 - IBS – 784 claim files for \$30,534,097
 - Cog + - 848 sub-files for \$30,534,097

Update on my Department

We are all feeling the effects of the excessive caseload, exacerbated by distribution constraints. The unavoidable delays in damage assessment and service provider availability for repair extends the normal claim life cycle, which tests policyholder patience. Our staff are doing their best to maintain pace and remain positive in these difficult circumstances. Their efforts are recognized and appreciated.

Emerging or Future Issues

The year that is unfolding clarifies our need to hire another adjuster. I completed a workload analysis to review withCarolynn to assess needs and candidate profile.

Claim Results

Stats in the tables here are source from QlikSense, while I have others captured in Cognition/IBS. IBS counts 65 new in August.

Gross Claims (for the Month)

Claims Count by Policy Class

Policy Class	Current	Prior	Change #	Change %	Budget	Off Budget #	Off Budget %
Auto	23	24	(1)	(4.2%)	29	(6)	(20.7%)
Commercial	7	2	5	250.0%	4	3	75.0%
Farm	6	11	(5)	(45.5%)	11	(5)	(45.5%)
Residential	37	21	16	76.2%	21	16	76.2%
Total	73	58	15	25.9%	65	8	12.3%

As noted above, Gross Claims Incurred posted higher than the cost of new claims in August, due to reserve increases on prior month/year claims, primarily related to the CAT

Gross Claims (for the Month)

Claims Incurred by Policy Class

Policy Class	Current	Prior	Change #	Change %	Budget	Off Budget \$	Off Budget %
Auto	157,055	313,022	(155,968)	(49.8%)	273,719	(116,664)	(42.6%)
Commercial	1,003,542	100,640	902,902	897.2%	60,639	942,903	1554.9%
Farm	419,745	177,613	242,132	136.3%	726,361	(306,616)	(42.2%)
Residential	1,513,345	435,830	1,077,515	247.2%	454,015	1,059,330	233.3%
Total	3,093,687	1,027,105	2,066,582	201.2%	1,514,734	1,578,953	104.2%

IBS counts 943 new claims for the same 8 month period.

Gross Claims (Year-to-Date)

Claims Count by Policy Class

Policy Class	Current	Prior	Change #	Change %	Budget	Off Budget #	Off Budget %
Auto	266	176	90	51.1%	235	31	13.2%
Commercial	54	23	31	134.8%	30	24	80.0%
Farm	188	55	133	241.8%	89	99	111.2%
Residential	426	131	295	225.2%	238	188	79.0%
Total	934	385	549	142.6%	592	342	57.8%

However, IBS and QlikSense both agree on the Incurred of \$28,046,010.

Gross Claims (Year-to-Date)

Claims Incurred by Policy Class

Policy Class	Current	Prior	Change #	Change %	Budget	Off Budget \$	Off Budget %
Auto	3,356,577	929,322	2,427,255	261.2%	2,208,565	1,148,012	52.0%
Commercial	4,631,286	562,313	4,068,973	723.6%	656,288	3,974,998	605.7%
Farm	6,671,472	614,507	6,056,965	985.7%	2,054,639	4,616,833	224.7%
Residential	13,386,675	2,278,036	11,108,639	487.6%	5,661,929	7,724,746	136.4%
Total	28,046,010	4,384,178	23,661,832	539.7%	10,581,421	17,464,589	165.0%

For your interest, I have included a breakdown of the YTD property loss Claims. The wind claim incurred is unprecedented, with fire losses adding insult to injury.

Gross Property Claims Incurred (Year-to-Date)

by Kind of Loss

Kind of Loss	Current	Prior	Change \$	Change %
Fire	7,390,100	1,334,048	6,056,053	454.0%
Water	2,033,547	1,259,671	773,876	61.4%
Wind / Lightning	13,444,673	218,012	13,226,661	6066.9%
Machinery	38,849	60,429	(21,581)	-35.7%
Livestock	31,861	12,840	19,022	148.1%
Pollution	53,836	(241,507)	295,343	-122.3%
Impact / Collapse	170,740	63,644	107,096	168.3%
Crime	181,065	31,087	149,978	482.4%
All Other	279,033	143,832	135,201	94.0%
Total	23,623,705	2,882,056	20,741,649	719.7%

Respectfully Submitted,

Steve O'Connell

"We treat our customers like family."

We look out for the best interests of our customers in the same way we do with our families. We want only the best for them. When you are with us, you are with family.