

VP Underwriting Report

For the Board Meeting of: 4/8/2021

Executive Summary

March came in, full of optimism that the worst of Covid will be behind us only to be in the same predicament (and maybe worse) at the end of the month. As the world around us continues to be in lockdown, the business aspect has continued as expected. Production numbers in the department has picked up and will continue to do so as we enter into Q2. Work wise, we are all caught up in our work with a slight backlog in our new business issuance due to some staffing issues. Training of our new team members has continued and as a result, Barb has been relieved of her broker set to fully dive into the Compliance Officer role. Barb will continue to be a reference point and "backup" for the Underwriting team. The March virtual annual meeting went through without any major hitch and I'm glad that it's now behind us!

The Auto Rate File Committee at OMIA has kept me busy as the group is working with the member companies to formulate a solution of how to operate this \$200+ million book of business.

Action Plan Item(s)

Action Plan items for April are:

- Start of "Model Office" testing on Cognition+ for Farm
- Start of "Alpha" testing on Cognition+ for Commercial
- Continued training of Lindsay and Jade for their new roles
- Hiring of a new Underwriting Administration position in light of a recent departure

Department Update

As I have predicted in the last month, production has picked up the pace in March after a stagnant first two months of the year. This momentum will continue to grow as we progress into the Spring months of Q2. For the month of March, we grew at a 5.85% rate, which then increased our YTD growth to 2.81%. The monthly growth rate will continue to increase in the coming months. It is important to note that this 5.85% monthly growth does not take into account the 40+ new business PIF that we have outstanding to be coded due to some staffing challenges. On the note of staffing, we now have a posting to hire an Underwriting Administration position after we decided to part ways with one of the team members late March.

Key Factors

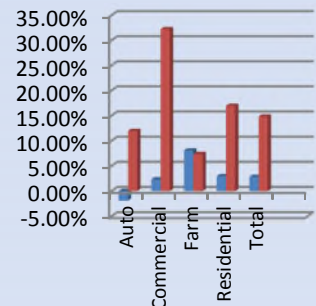
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March Policy Activity

	New	Canc.
Auto	48	46
Commercial	17	20
Farm	19	13
Residential	63	61
Total	147	140

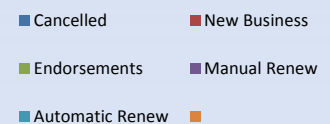
Premiums Growth YTD

Blue (left bar) = 2021
Red (right bar) = 2020



Transactions for March

3,048



In terms of PIF growth, we were +7 PIF for the month of March. Again, this PIF count does not take into account the 40+ PIF that we have in our queue that has yet to be entered into our system.

We have entered into "model office" testing in Cognition+ Farm on April 5th. The farm underwriters will be training together in the office for two days each week for the next four weeks with the "Go Live" date on May 10th. Cognition+ Commercial "Alpha" training will be following closely behind starting April 26th with the forecast "Go Live" date to be in late June. The light at the end of the tunnel for underwriting to be 100% online with Cognition is in sight!

Current / Emerging Issues

The topic of premium rebates on the Auto product is rearing its head again as we enter into the third wave of lockdowns. Many stock insurers have announced further premium rebates on the auto product, which will probably prompt that conversation up with the mutual companies again. It's been quiet so far but I will keep you all updated if anything does come up.

Other

Stay safe and hope you all are doing well!

Respectfully submitted,



Key Factors

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YTD Premium % Growth		
January	0.16%	↓
February	2.20%	↑
March	5.85%	↑
April		
May		
June		
July		
August		
September		
October		
November		
December		
Total	2.81%	↑

YTD PIF Growth		
January	+2	↑
February	-7	↓
March	+7	↑
April		
May		
June		
July		
August		
September		
October		
November		
December		
Total	+2	↑