

For the Board Meeting of: 9/15/2022

## Executive Summary

It was nice to have a break in August and would like to thank the Board this wonderful break. Even though we were able to take a break from writing a report, the work continues to flow and with staff vacation schedules in full bloom, I had to make up for the shortfall and help support the team in any way possible. Thank you to Barb for pitching in to assist! Many initiatives completed in August were to prepare for the full court press for the final quarter of 2022. Training of our newly minted underwriters from the Admin role was conducted throughout the summer in anticipation of our team being at full capacity with a new team member, a team member coming back from Maternity Leave and one preparing to leave on her retirement journey in the coming months. The department is also implementing some changes with a new broker allocation for each underwriter, the development of a new Commercial Lines Underwriting manual and preparation of the upcoming Broker Forum in early September. In between, I continue to attend and chair the OMAP committee, to involve myself with the Social Committee and the biggest change of all, to start my Master studies at Columbia University. My family and I travelled down to New York City for both pleasure and for my 3-day Academic Residency and it was an experience of a lifetime. My family enjoyed the time in NYC as I soaked in every moment of my residency and am truly grateful for the opportunity that HTM has provided me. I'm trying not to gloat but I can say that I am proud to be one of 19 candidates chosen from a pool of over 460 applicants. The school work has just started and is already very intense but I relish in the challenge and hope to make HTM proud!



 COLUMBIA UNIVERSITY

Insurance Management

## Update on my Department

In my previous report, I gave an update of some shuffling in my department. To update you with the latest, here are some of the changes effective September 6<sup>th</sup>:

- Tiffany Gibbs moving from Personal Lines to Commercial Lines
- Jade Hind moving from Renewal Analyst to Personal Lines Underwriter
- Kelley Turk moving from Underwriting Admin to Renewal Analyst
- Lindsay Reinert will be returning from Maternity Leave and continuing her role as Personal Lines Underwriter
- Kiley Binkley starting at HTM as Underwriting Administration



Kiley's focus will be handling Task Management in Cognition+, printing along with other administrative duties in the department. After graduating from Durham College in 2002, Kiley has been working in the insurance industry for her entire tenure, first at State Farm/Desjardins and most recently at McDougall Insurance Brokers. She brings to us a wealth of insurance knowledge and is RIBO licensed. She's a Maple Leaf fan and is actively involved with her kid's hockey teams.

Further changes will be coming as I've posted internally for the posting of Underwriting Team Leader. This person will be assisting me in supporting the operations of the department as managing 14+ team members is a daunting challenge. This position will also entail taking a portion of the broker allocation and alleviate some of the job duties from Barb so that she can focus in her Compliance Officer role. We should have this role filled by the end of September.

## Update on Major Goal(s)

### **Framework for Underwriter Authority Levels and Decision Making Process**

Underwriting Authority Levels for each team member in the department is now complete.

### **New Line of Business in Commercial – Fleet and Garage**

Tiffany Gibbs have started using the Fleet tool to quote our current fleet renewals as they come up. The Garage training from OMIA has been pushed to a later date and the launch of Garage is on track for Q3.

### **Wordings Update**

Steve and I have completed the review on the Premium Home, Liability, Additional Coverage and Exclusions wordings. A new package wording for our higher-valued homes (\$1.5mm-\$2.5mm range) is in the works and I have met with one of our broker partners to investigate coverages in which the market would like to see. I should have a new product completed in 2022 for launch in 2023.

### **Inspections Ordering Template**

Bryce and I have gone back to the drawing board to revise some of the parameters of the inspections ordering matrix. The matrix was "stress-tested" and showed that more inspections should be ordered than our current model. The idea of this matrix was to cut down the number of inspections ordered to the risks that needed it the most. We are in the midst of going back to add some parameters to help reduce the number of ordered inspections.

### **Commercial Lines Manual**

I have started work on the conglomeration of all the commercial reference materials we have to create a Commercial Lines Manual. The base of the manual is now complete and I am currently meeting with the Commercial team for feedback and suggestions to the manual. To date, we have had 2 meetings with another 2 to come in the next month. We should have the finalized product by the end of November for use starting 2023.

## **Emerging or Future Issues**

The last couple months have been relatively quiet in terms of emerging issues so I have nothing to report at this time.

## **Underwriting Results**

The roller-coaster month-to-month trend in our growth has thankfully levelled off in the summer months and growth has been trending positive. August saw premium growth at 8.8% with growth in all four lines of business. Surprisingly, the automobile line which has been shrinking monthly saw robust growth at 9.7%. As a result of this positive trending, our year-to-date growth is standing at 5.3% and for the first time this year, the YTD growth is on the positive side for all 4 lines of business. Definitely a good sign for HTM as we slowly come out of the Covid slump.

## Premiums Written - (for the Month)

By Policy Class

Policy Class	Current	Prior	Change #	Change %	Budget	Off Budget \$	Off Budget %
Auto	668,364	609,510	58,854	9.7%	639,244	29,120	4.6%
Commercial	365,918	364,072	1,846	0.5%	414,293	(48,375)	(11.7%)
Farm	925,046	783,494	141,552	18.1%	851,897	73,149	8.6%
Residential	1,445,832	1,372,884	72,948	5.3%	1,526,376	(80,544)	(5.3%)
<b>Total</b>	<b>3,405,160</b>	<b>3,129,960</b>	<b>275,200</b>	<b>8.8%</b>	<b>3,431,810</b>	<b>(26,650)</b>	<b>(0.8%)</b>

The August new policy count is also turning around, albeit still in the negative. The entire year so far has seen a reduction of new policies written monthly but this is the first month in which new policy count has remained level for the month with a decrease of only 5 policies. Hopefully, this trend continues to the positive and I predict that our September numbers will show positive growth for the first time this year.

## New Policy Count - (for the Month)

By Policy Class

Policy Class	Current	Prior	Change #	Change %
Auto	31	25	6	24.0%
Commercial	15	17	(2)	(11.8%)
Farm	23	19	4	21.1%
Residential	84	97	(13)	(13.4%)
<b>Total</b>	<b>153</b>	<b>158</b>	<b>(5)</b>	<b>(3.2%)</b>

## New Policy Premiums - (for the Month)

By Policy Class

Policy Class	Current	Prior	Change \$	Change %
Auto	51,652	41,058	10,594	25.8%
Commercial	40,075	41,976	(1,901)	(4.5%)
Farm	67,074	50,732	16,342	32.2%
Residential	110,495	128,659	(18,164)	(14.1%)
<b>Total</b>	<b>269,296</b>	<b>262,425</b>	<b>6,871</b>	<b>2.6%</b>

Consistent with my summary above, new policy premium written has for the first time this year, showed positive growth. We wrote 2.6% more premium this August than in the previous August. Again, this is a good sign that new business should start flowing as business is slowly regaining strength coming out of the Covid funk.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Warren", with a stylized flourish at the end.

**"We act with heart."**

We care about what you care about. We are thoughtful and considerate of your needs and well-being.