



HTM INSURANCE COMPANY

BOARD MEETING – NOVEMBER 10, 2020

WELCOME & OPENING REMARKS



DECLARATION

Conflict of Interest

MISSION

“To protect your future
as if it’s our own”

VISION

“Our family striving to provide you with peace of mind by protecting your tomorrows today”

AGENDA

- Welcome and Call to Order
- Consent agenda
- Management report including September financials
- Pearson Proposal
- Group E
- ~~Budget~~
- Donations
- Other Business
 - Virtual AGM



MOTION

“That the Agenda be adopted as distributed.”

Moved by

Seconded by

CONSENT AGENDA DOCUMENTS

- Distribution Lead Report
- VP Claims Report
- VP Loss Prevention Report
- VP Underwriting Report
- President's Report
- OMIA Pension
- Collective Press Release
- FMGF Update AGM Notice
- December Board Meeting Minutes
- January Board Meeting Minutes



MOTION

“To accept the Consent Agenda items as distributed.”

Moved by

Seconded by

COMPLIANCE OFFICER

UPDATE



UPDATE

- Annual Meeting Preparation
- Document Retention Project
- Complaint Reporting
- Committee Meetings

UPDATE

Compliance Activities

Posted notices of Annual General Meeting	
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By-Law Changes

Conduct Review Questionnaires	
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Leadership Covenant

Governance Policy Review	
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Committee Meetings

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VP CLAIMS REPORT

UPDATE TO DEC 31 FOR STATS



UPDATE

- Dept. Staff down two – Andrea & Aimee
- Interview & selection stage for Claims Admin. Just posted for Claims Adjuster
- CoVid personal protection protocols
- HR Management Project underway

UPDATE

- 751 claims – down 12% over 2019
- 14 claims > \$200,000 for \$8.8M – including \$2.8M DW fire
- November CAT for \$2.2M
- \$1.9M positive development on prior year claims
- \$17.5M Gross Claims Incurred – up \$755,000 from 2019

To Dec 31, 2020

Policy Class	Prior years claims	Current year claims	Total Gross Incurred	YTD Claims	Prior YTD Claims
Automobile	-808,060	4,349,326	3,541,265	328	401
Commercial	93,871	825,597	919,468	39	42
Farm	-449,662	3,746,936	3,297,274	146	110
Residential	-318,939	10,068,073	9,749,135	238	304
Total	-1,482,790	18,989,932	17,507,142	751	857

Claim's
Activity for
the Period

To Dec 31, 2020

Claim Class	# of claims	Paid	Reserves	2020 New Claims incurred	2020 All Claims Incurred
Automobile	328	1,660,099	2,698,066	4,358,165	3,541,266
Commercial	24	260,339	131,640	391,979	371,052
Liability	34	68,366	919,260	987,626	598,470
Property	365	5,451,108	8,245,772	13,696,880	12,996,354
Total	751	7,439,912	11,994,738	19,434,650	17,507,142
					-1,927,508

Claim Summary

To Dec 31, 2020

OUTSTANDING CLAIMS

Claim Count	Claim Class	2015 & Older	2016	2017	2018	2019	2020	Total
128	Automobile	533,106	1,193,369	281,970	1,126,215	1,572,387	2,734,651	7,441,698
16	Commercial	18,823	0	10,330	12,063	13,514	159,140	213,870
45	Liability	948,688	743,543	39,684	490,044	365,578	545,447	2,599,878
204	Property	0	36,880	56,300	96,063	1,387,679	8,309,012	9,924,583
393	Total	1,500,617	1,973,792	388,284	1,724,385	3,339,158	11,748,250	20,180,029

To Dec 31, 2020

Auto	2020 YTD	2019 All	%
Auto - Liability	1,691,211	1,458,938	115.9%
Auto - AB	160,111	928,319	17.2%
Auto - Physical	1,686,566	2,301,210	73.3%
Uninsured Auto	3,377	139,363	2.4%
Total	3,541,265	4,827,830	73.4%

Liability	2020 YTD	2019 All	%
All Liability	598,470	386,413	154.9%

Property	2020 YTD	2019 All	%
Fire	7,654,477	7,265,710	105.4%
Water	1,483,875	3,597,826	41.2%
Wind	3,171,867	279,327	1135.5%
Machinery & Equip	87,373	-205,281	-42.6%
Pollution	-10,858	-135,092	8.0%
Lightning	66,787	-25,366	-263.3%
Impact	286,295	91,863	311.7%
Crime	216,847	245,618	88.3%
Collapse	19,146	119,061	16.1%
All other	391,597	303,683	128.9%
Total	13,367,406	11,537,349	115.9%

Claim by Loss Type

Reported Claims

Time	#	Total
Day 1	54	54
Day 2	5	59
Day 3	2	61
Day 4	5	66
Day 5	6	72
Day 6	0	72
Day 7	0	72
2nd Week	8	80
3rd Week	5	85
4th Week	1	86
Over 4	1	87

Gross Claims Incurred

\$2,202,013

Reinsurance Recovery

\$627,013

Outstanding Reserves @ February 6, 2021

\$1,332,515

Largest Individual Claim

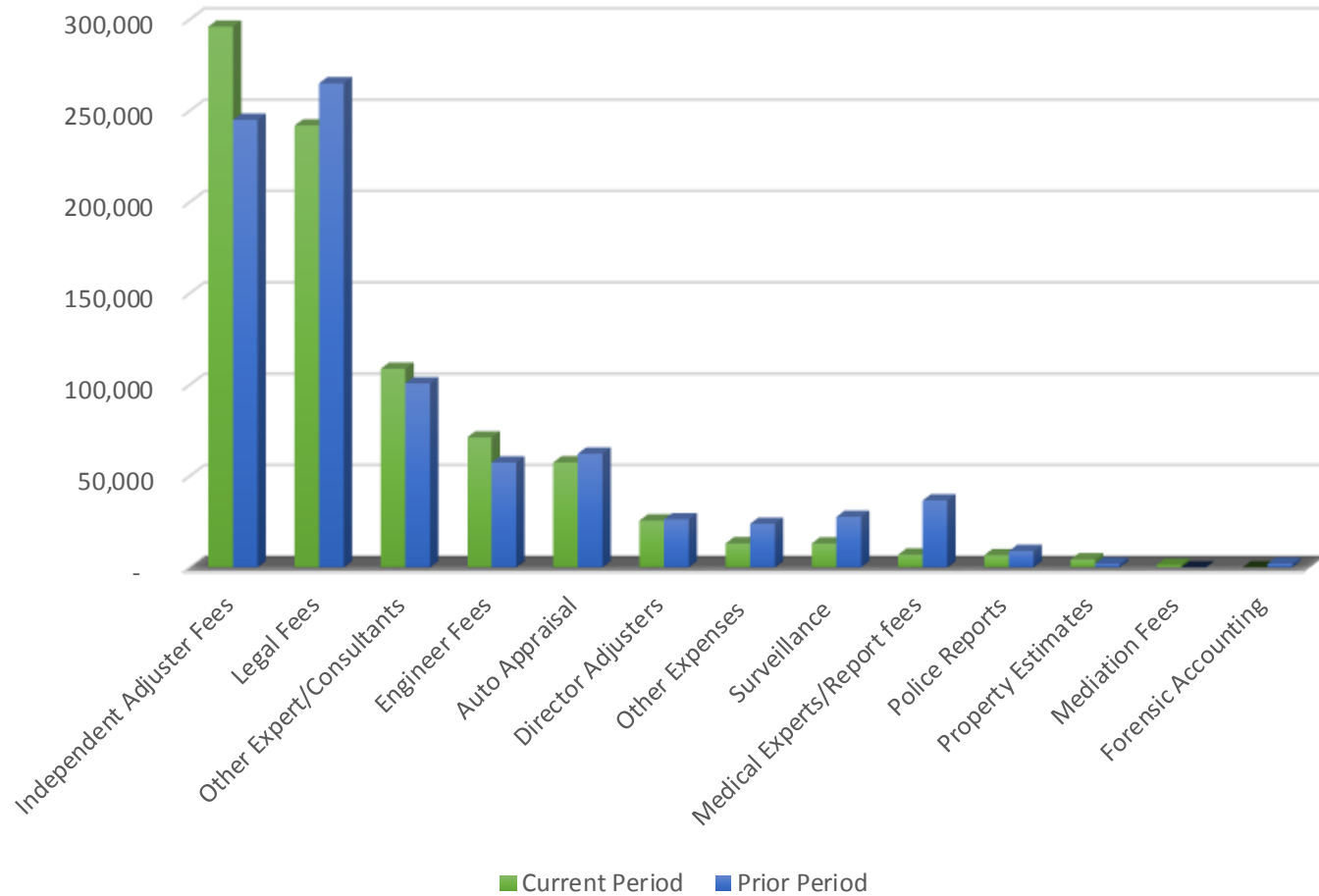
\$306,200

Average Claim Size

\$25,310

November CAT Loss

To Dec 31, 2020

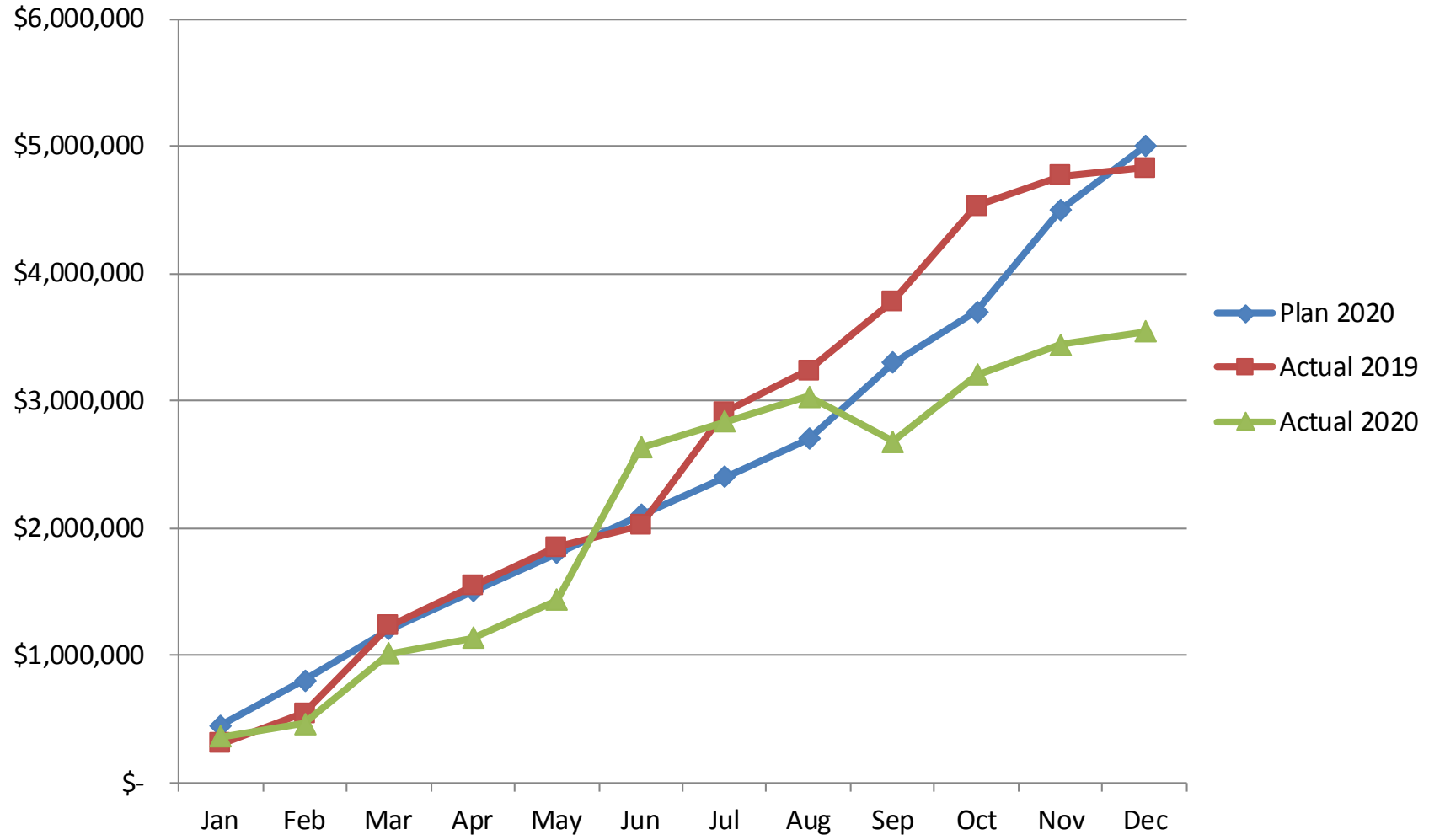


Claim Expenses YTD



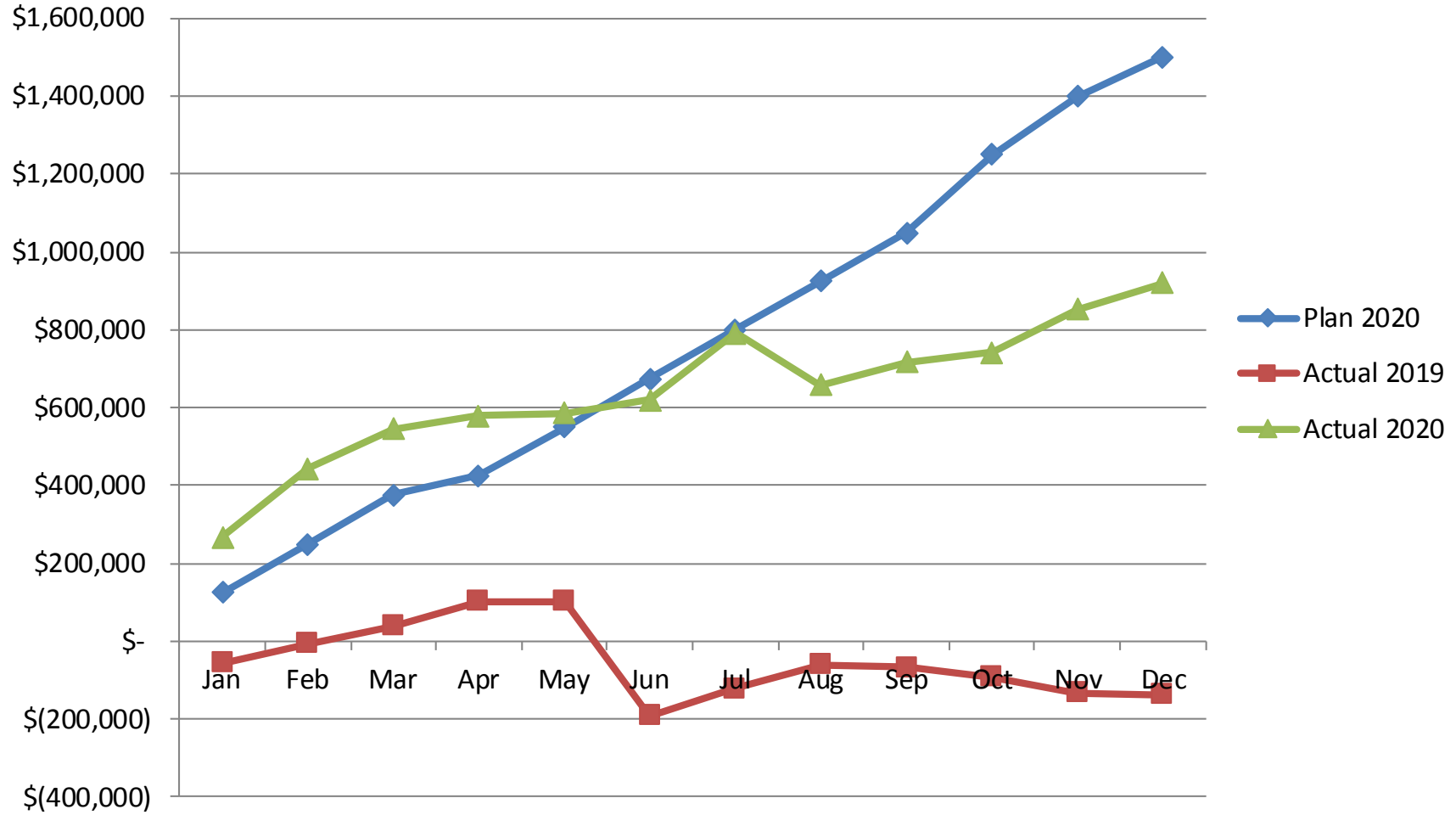
To Dec 31, 2020

Gross Auto Claims Incurred



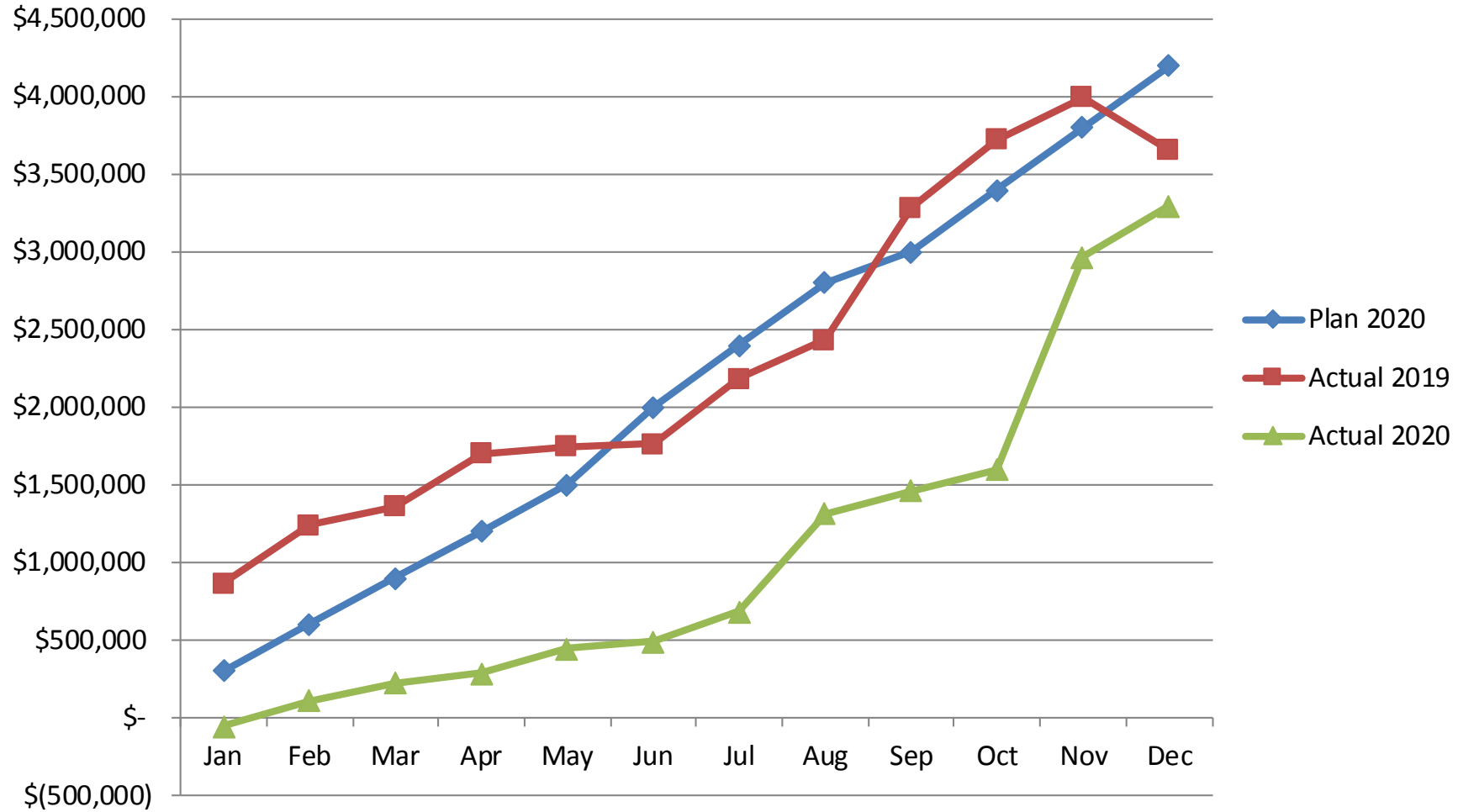
To Dec 31, 2020

Gross Commercial Claims Incurred



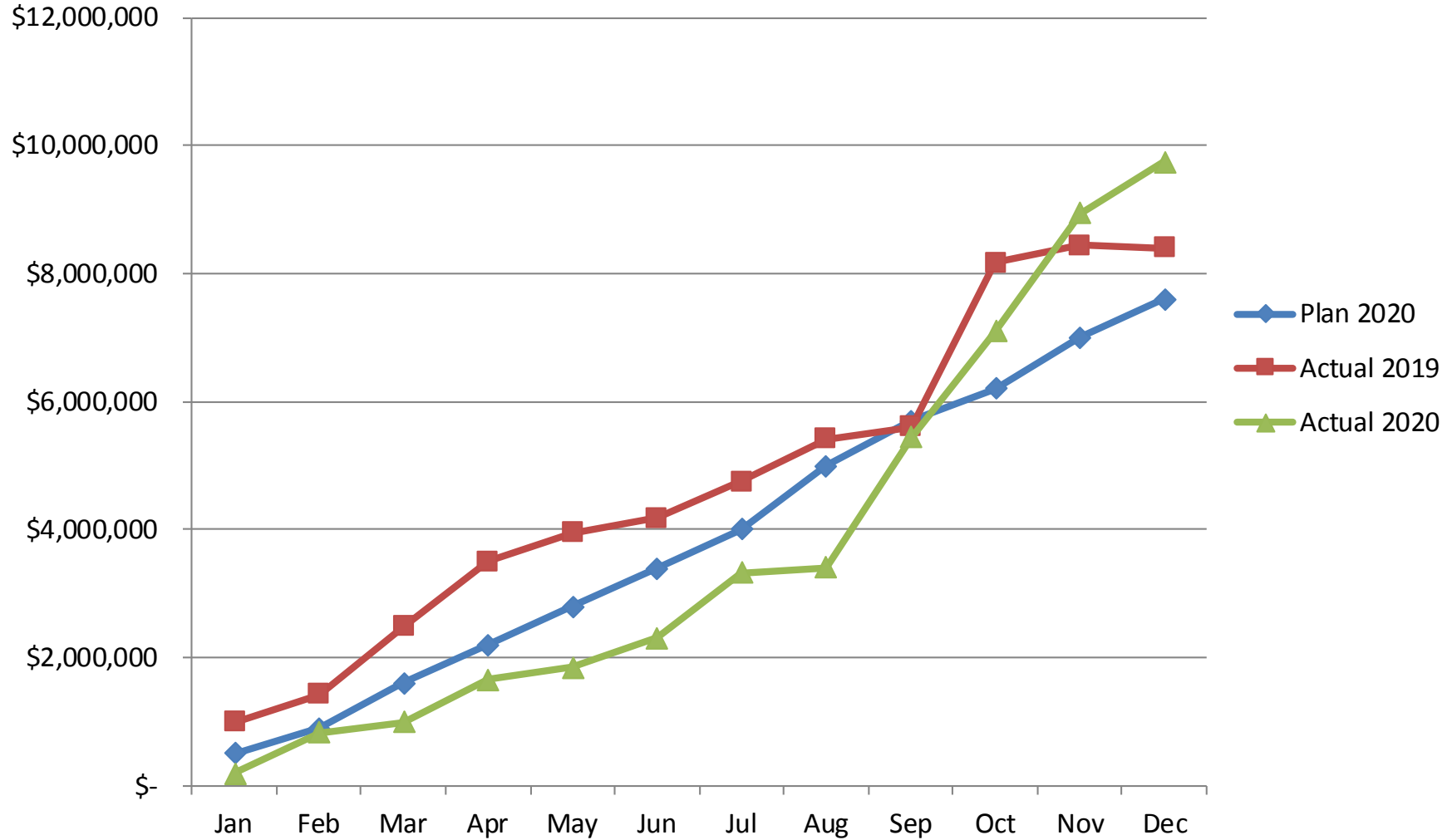
To Dec 31, 2020

Gross Farm Claims Incurred



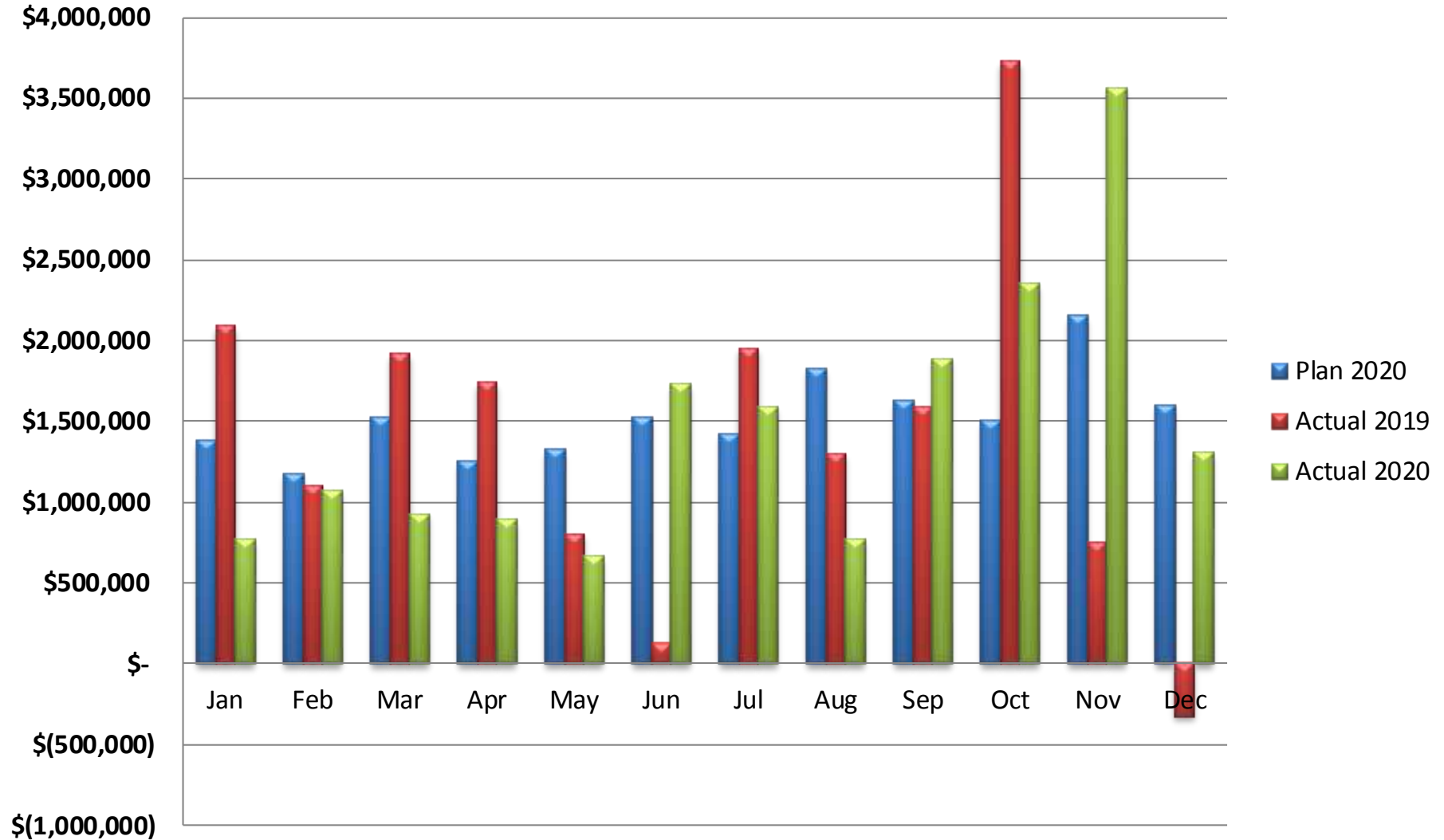
To Dec 31, 2020

Gross Residential Claims Incurred



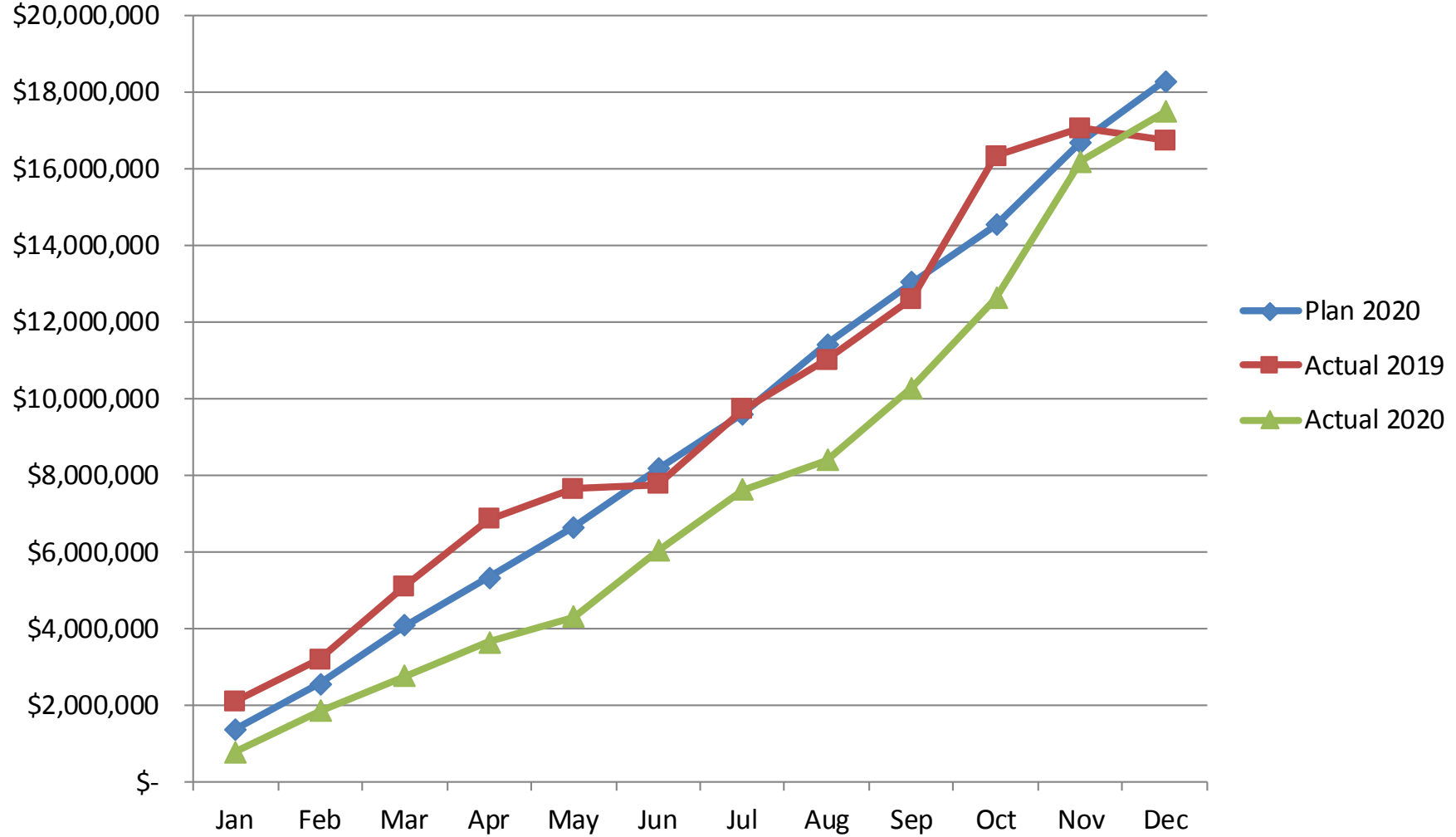
To Dec 31, 2020

Total Claims Incurred



To Dec 31, 2020

Gross Total Claims Incurred

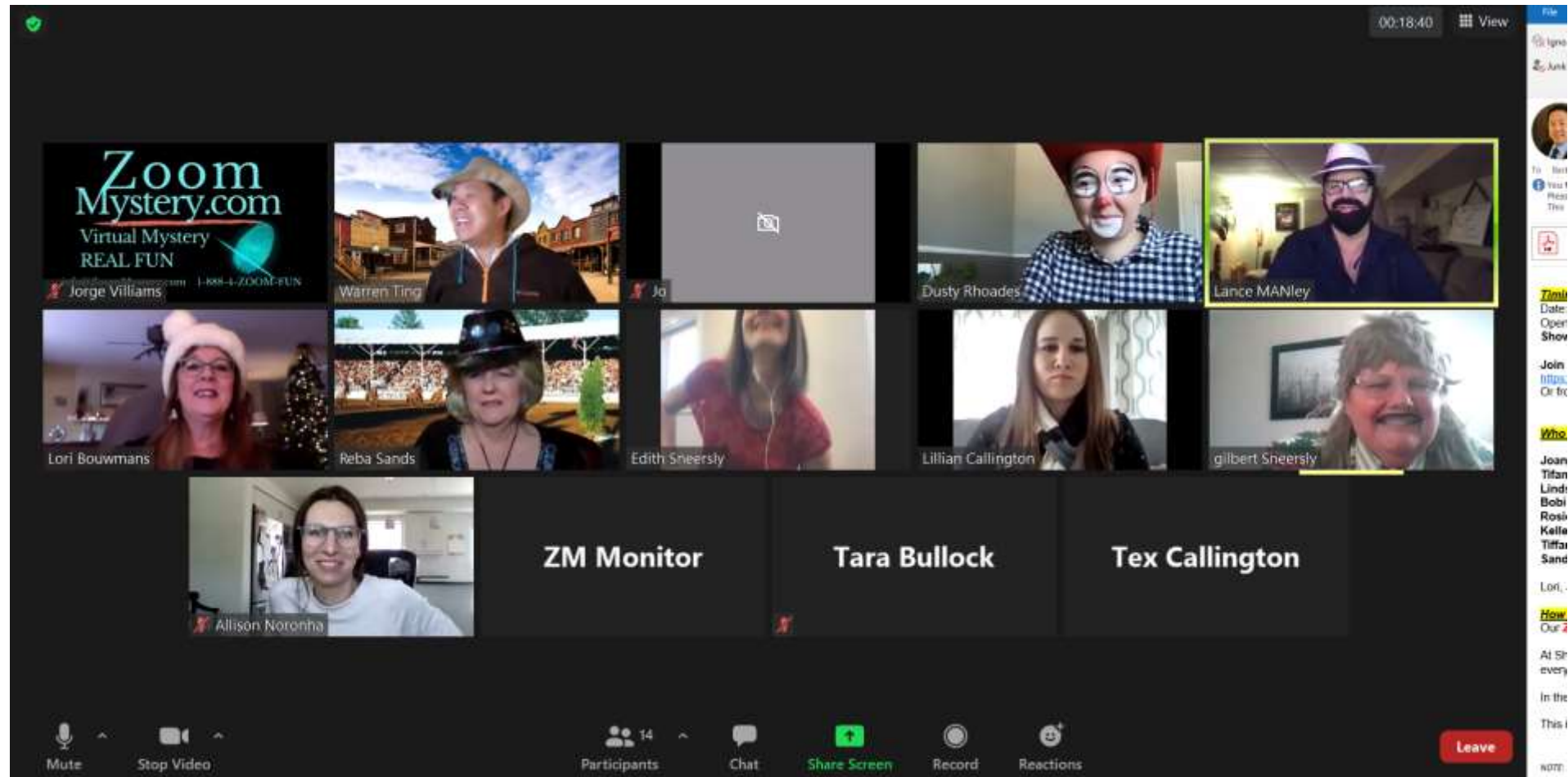


VP UNDERWRITING REPORT

UPDATE TO SEPTEMBER 30 FOR STATS



ASSESSING RISKS AND MURDERS...



UPDATE

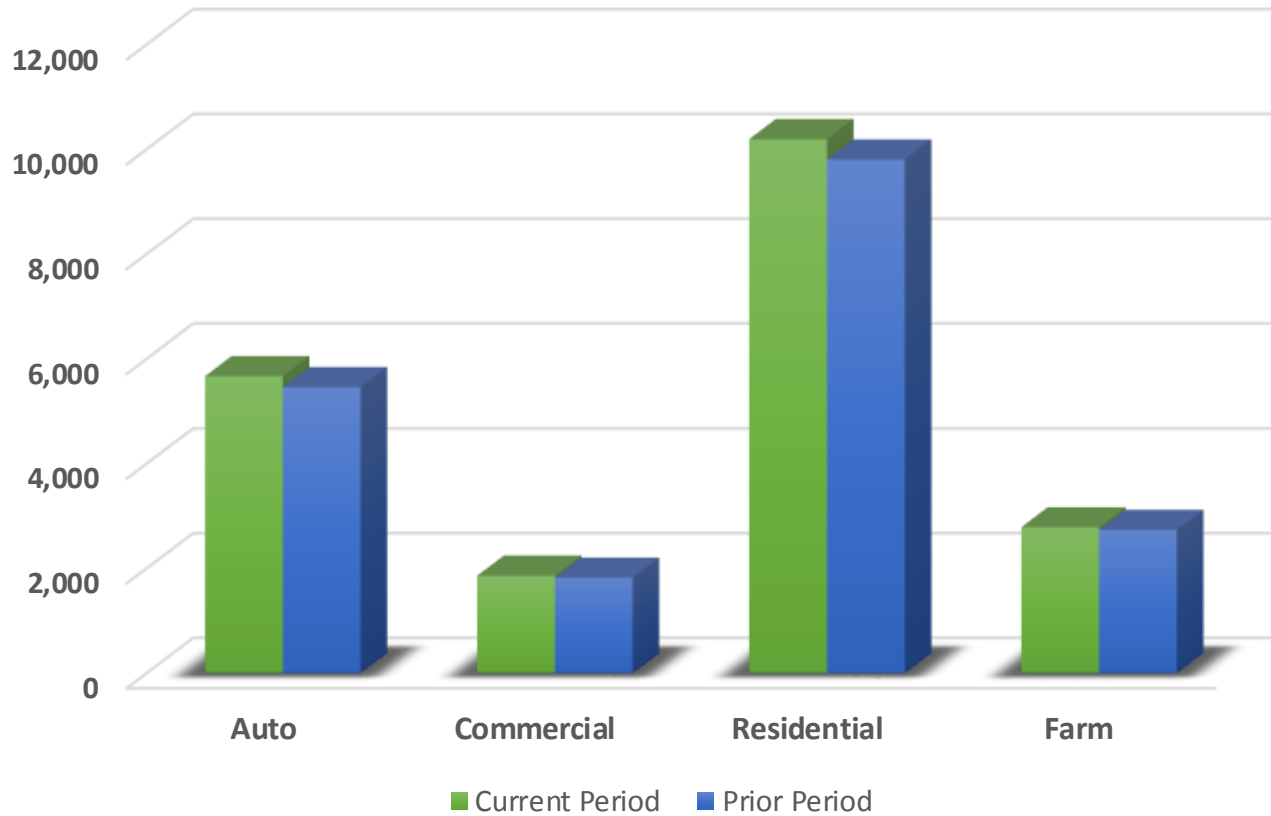
- Maximum of 6 team members in the department on a given day
- Cognition+ Farm testing in full swing
- Weekly email updates to the department
- Formulation of a “Covid” discount for selected commercial policies
- New Underwriting Admin: Kay Farrell-Lang
- Promotions:
 - Lindsay Reinert – Personal Lines Underwriter
 - Jade Hind – Underwriting Renewal Analyst

UPDATE

- Service of backlog is all cleared, INCLUDING inspections!
- Underwriters attending OMIA Property and Automobile Roundtables
- Congratulations to our new Insurance Institute grads!
 - NEW CIP GRADUATE: Tiffany Gibbs
 - NEW COMMERCIAL INSURANCE CERTIFICATE: Barb Dinnage

To December 31, 2020

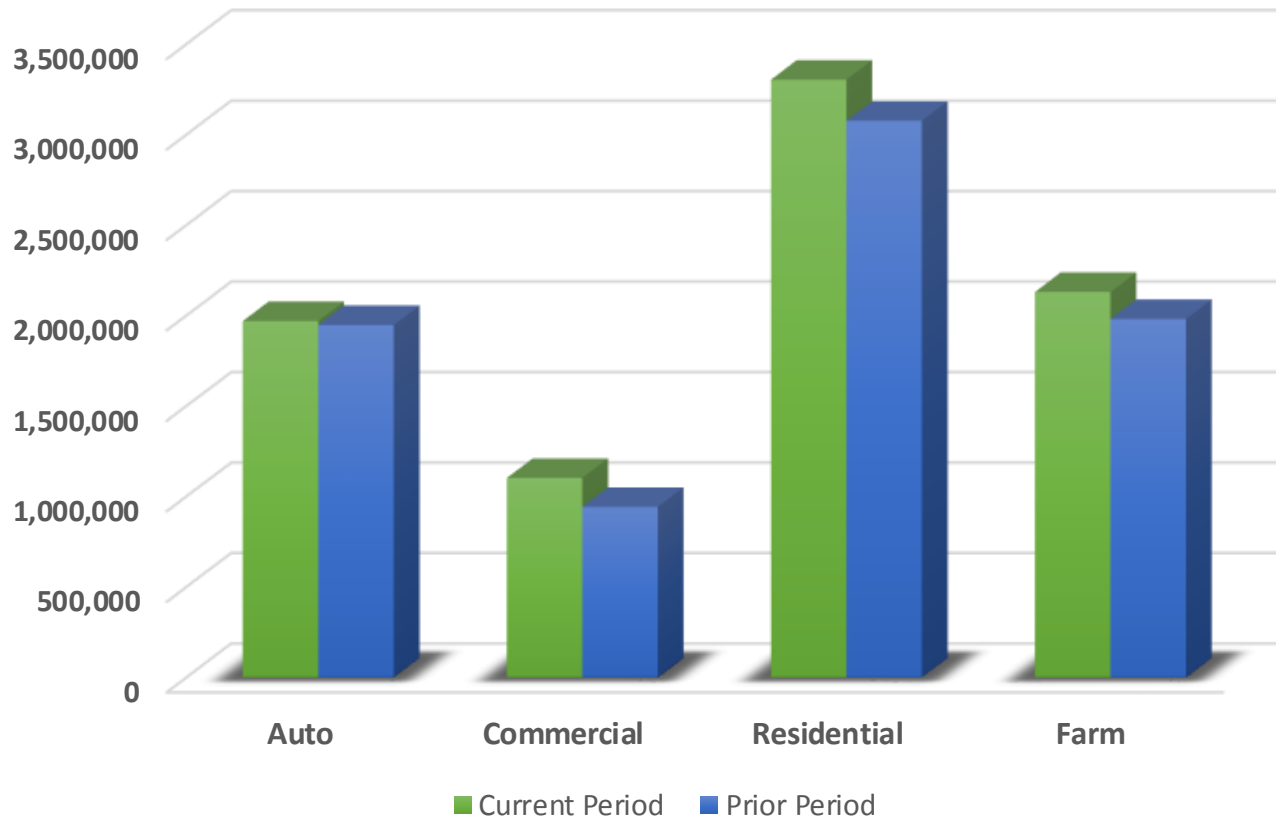
Policies In-force by Policy Class



Policies in Force
20,501 Last Year
19,814
3.5%



Premiums Written by Policy Class



Premiums Written

8,509,038

Last Year 7,950,656
7.0%



TREND

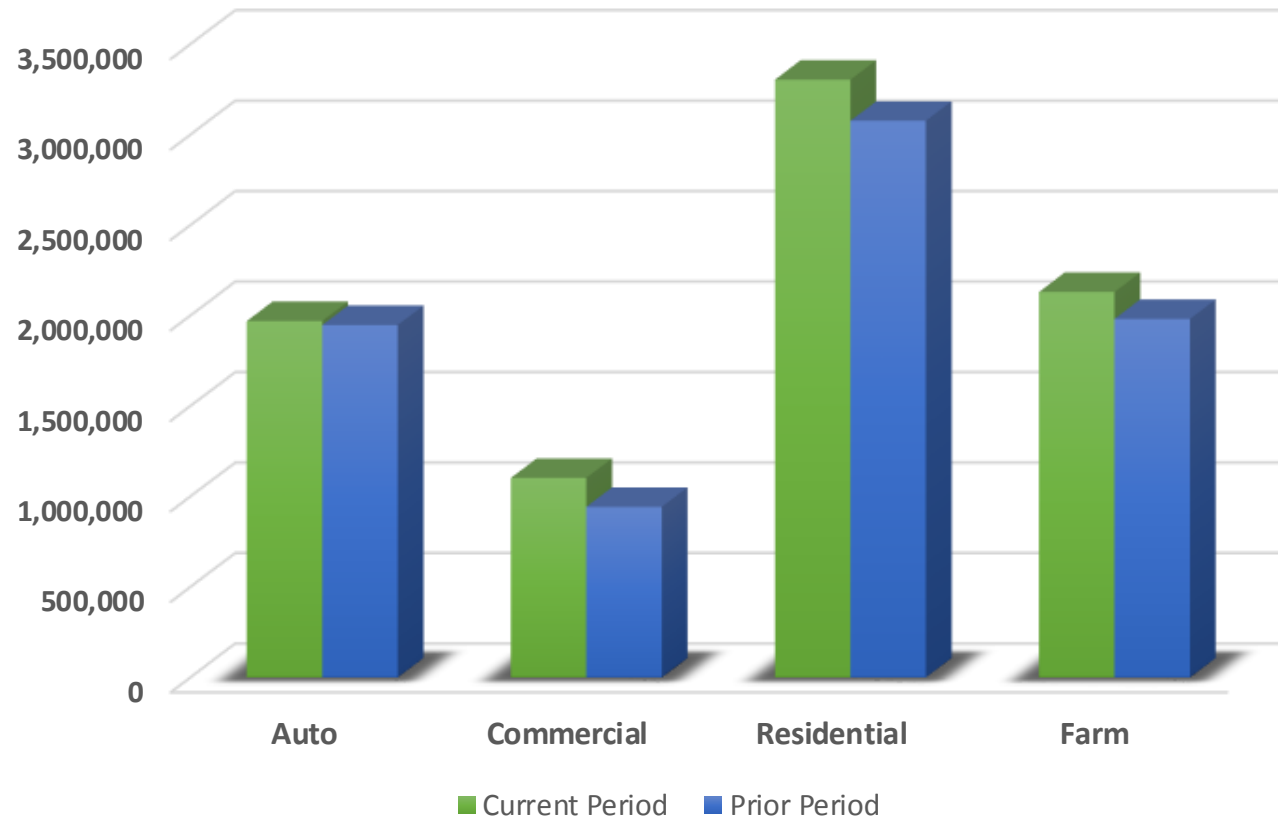
BETTER

NEUTRAL

WORSE

To December 31, 2020

Premiums Written by Policy Class



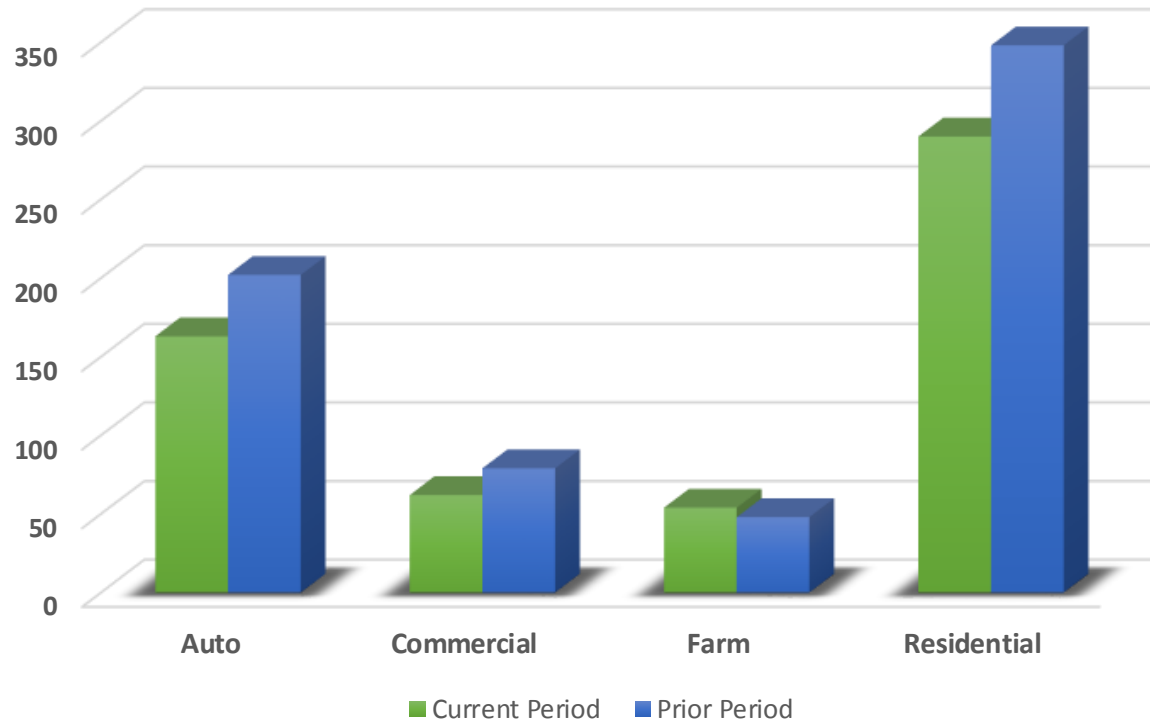
Premiums Written YTD

34,024,031 ^{Last Year} 31,404,648

8.3%



Fourth Quarter 2020



New Policy Count

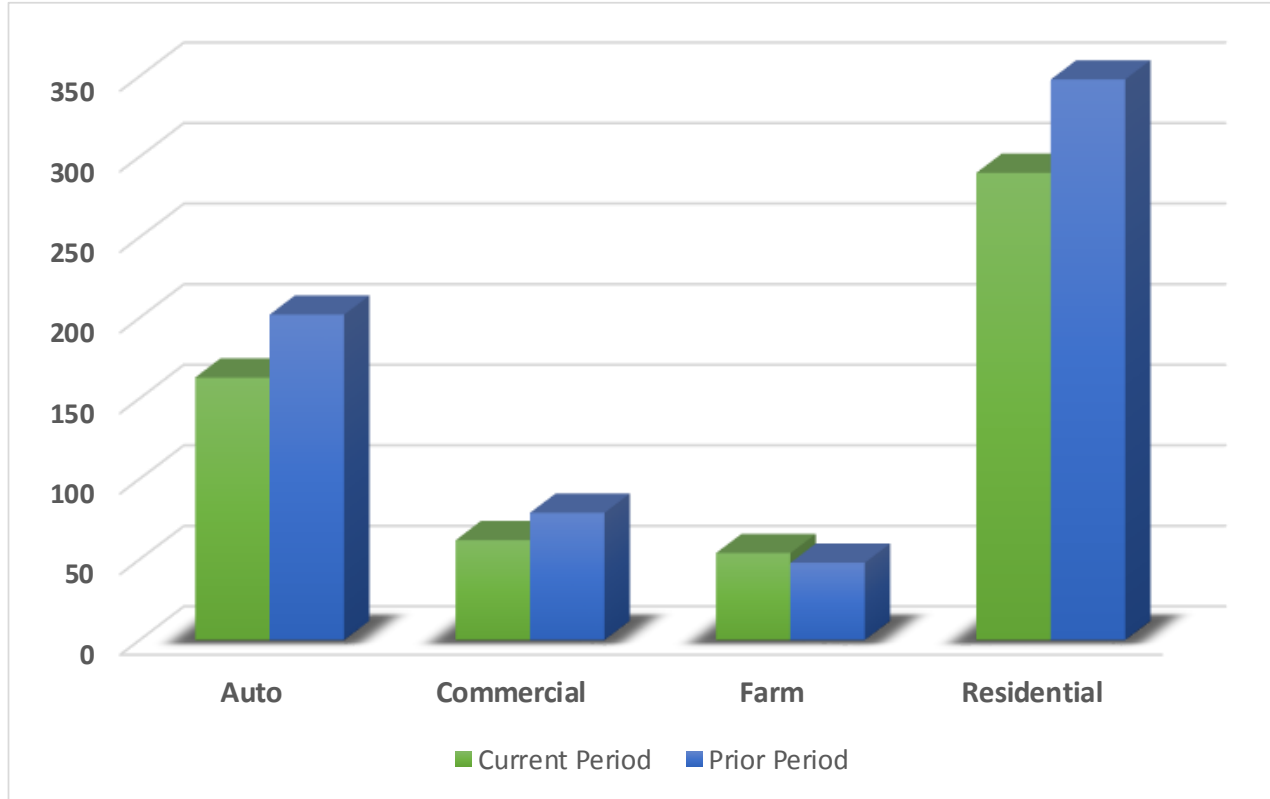
TREND



PRIOR YR

-16.0%

To December 31, 2020



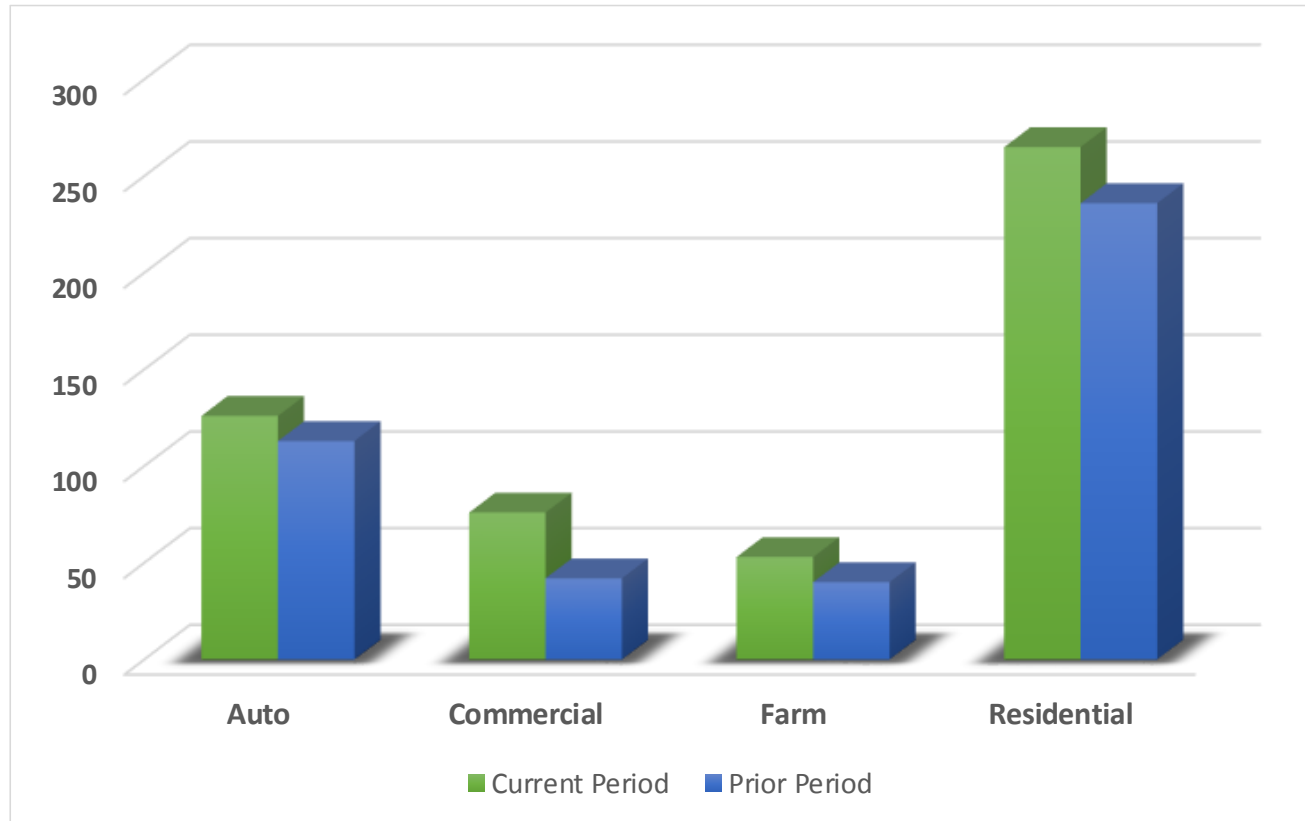
New
Policy
Count
YTD

PRIOR YR

-20.7%



Fourth Quarter 2020



Cancelled Policy Count



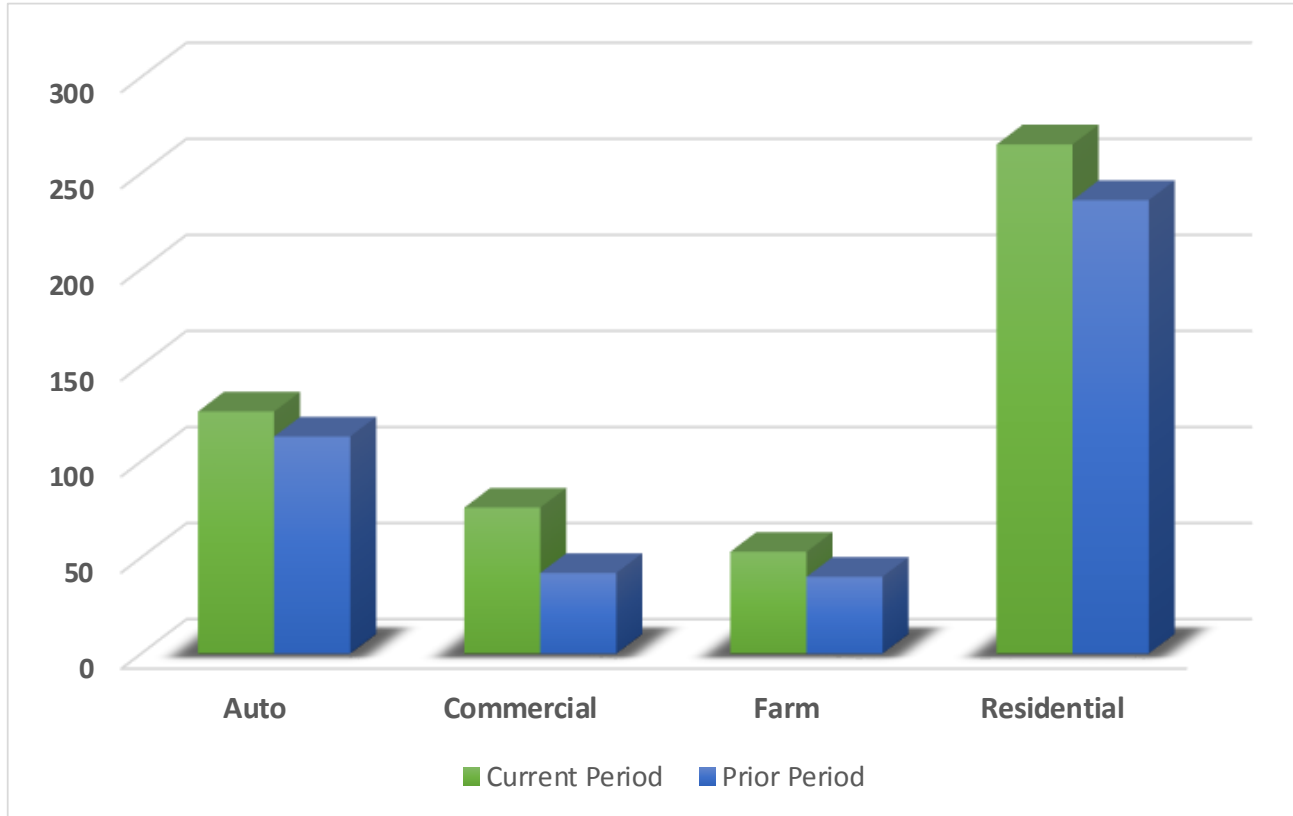
TREND



PRIOR YR



To December 31, 2020



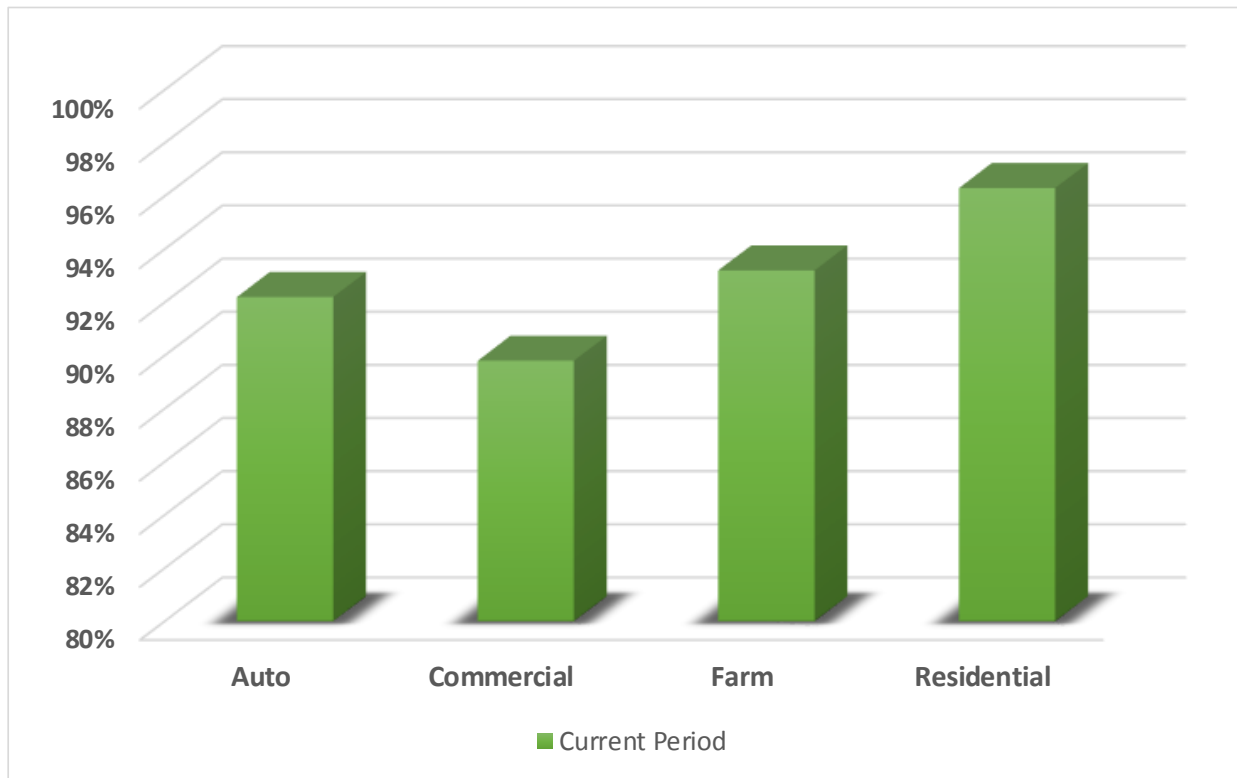
Cancelled Policy Count YTD

PRIOR YR

18.0%



As at December 31, 2020



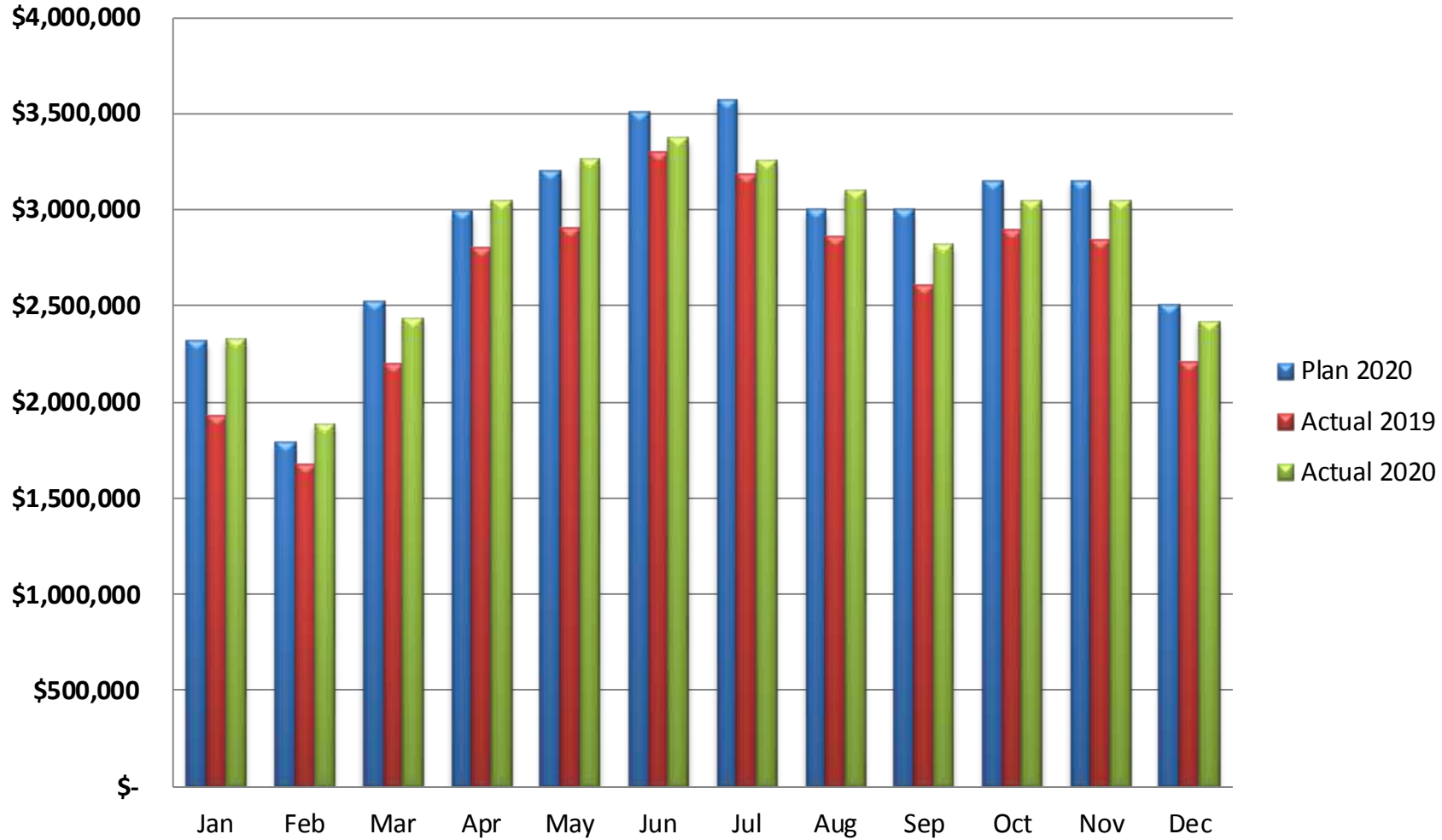
Retention Rate

92.9%

93.9%

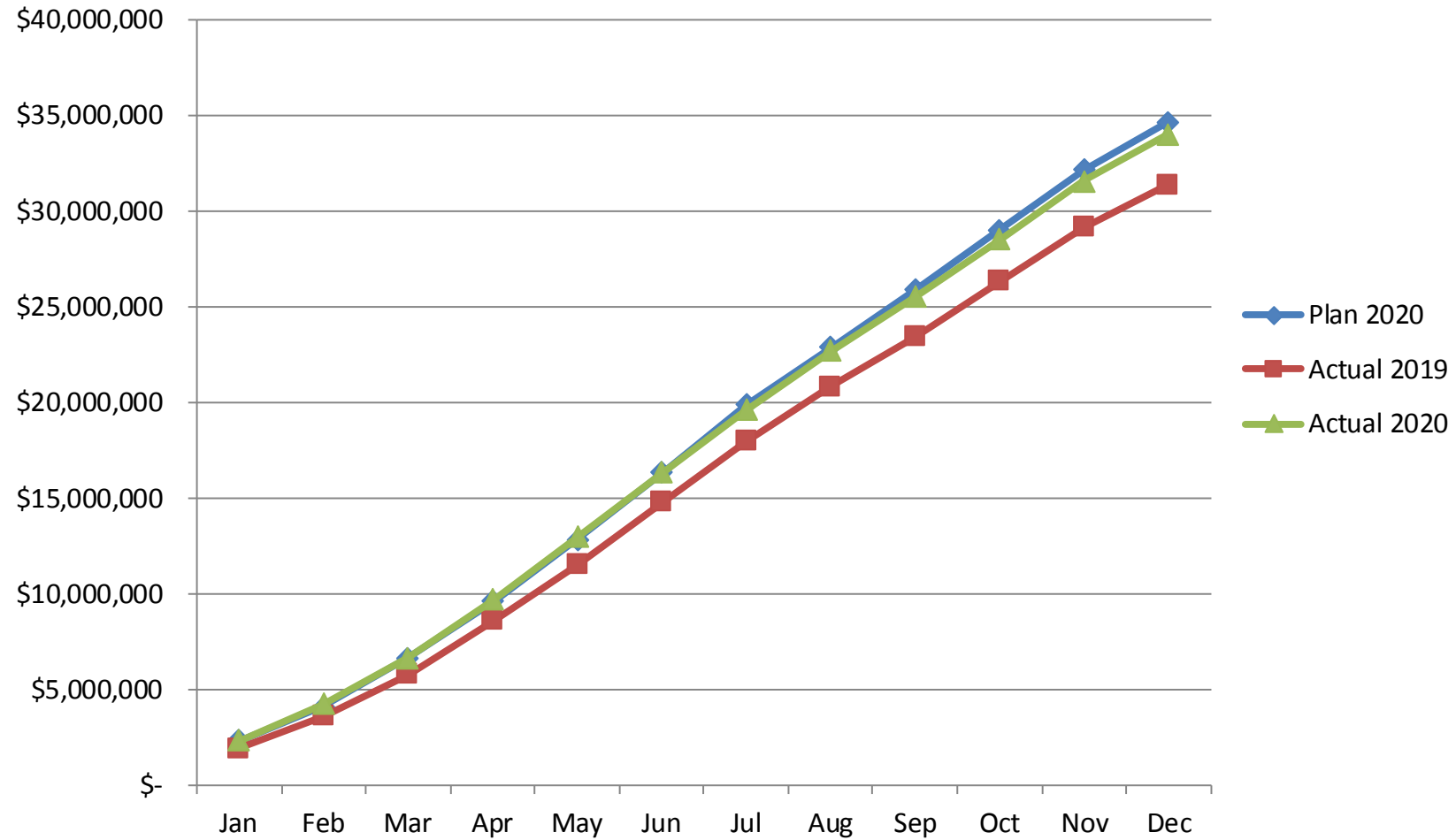
To December 31, 2020

Total Premiums



To September 30, 2020

Gross Premium Written - Total



To December 31, 2020

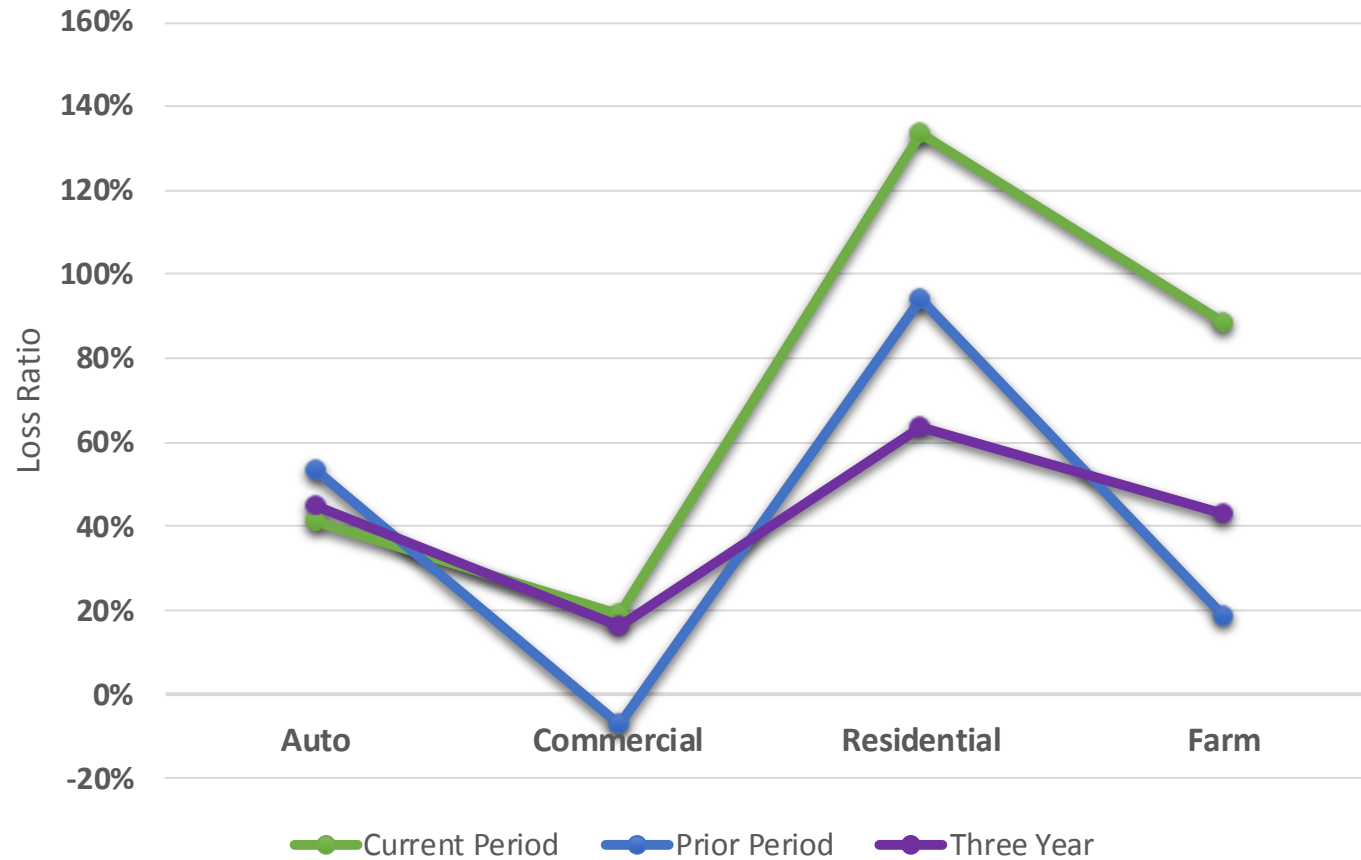
Major Usage	Written Premium	Earned Premium	Claims Incurred	Loss Ratio
Single Family	17,048,239	16,355,922	9,749,979	59.6%
Apartment Houses up to 10 stories	1,422,032	1,350,004	586,207	43.4%
Dairy	799,231	774,168	1,489,838	192.4%
Hobby Farm	702,984	673,472	284,926	42.3%
Seasonal Residential	696,348	684,070	135,310	19.8%
Cash Crop	658,326	629,399	511,433	81.3%
Beef	627,433	632,986	329,686	52.1%
Building Construction - Residential	468,309	395,711	35,409	8.9%
Professional and Business Associations	316,724	306,126	10,827	3.5%
Horse	182,680	186,246	110,240	59.2%

Top 10 by Premium Written

Performance
by Major
Usage
YTD

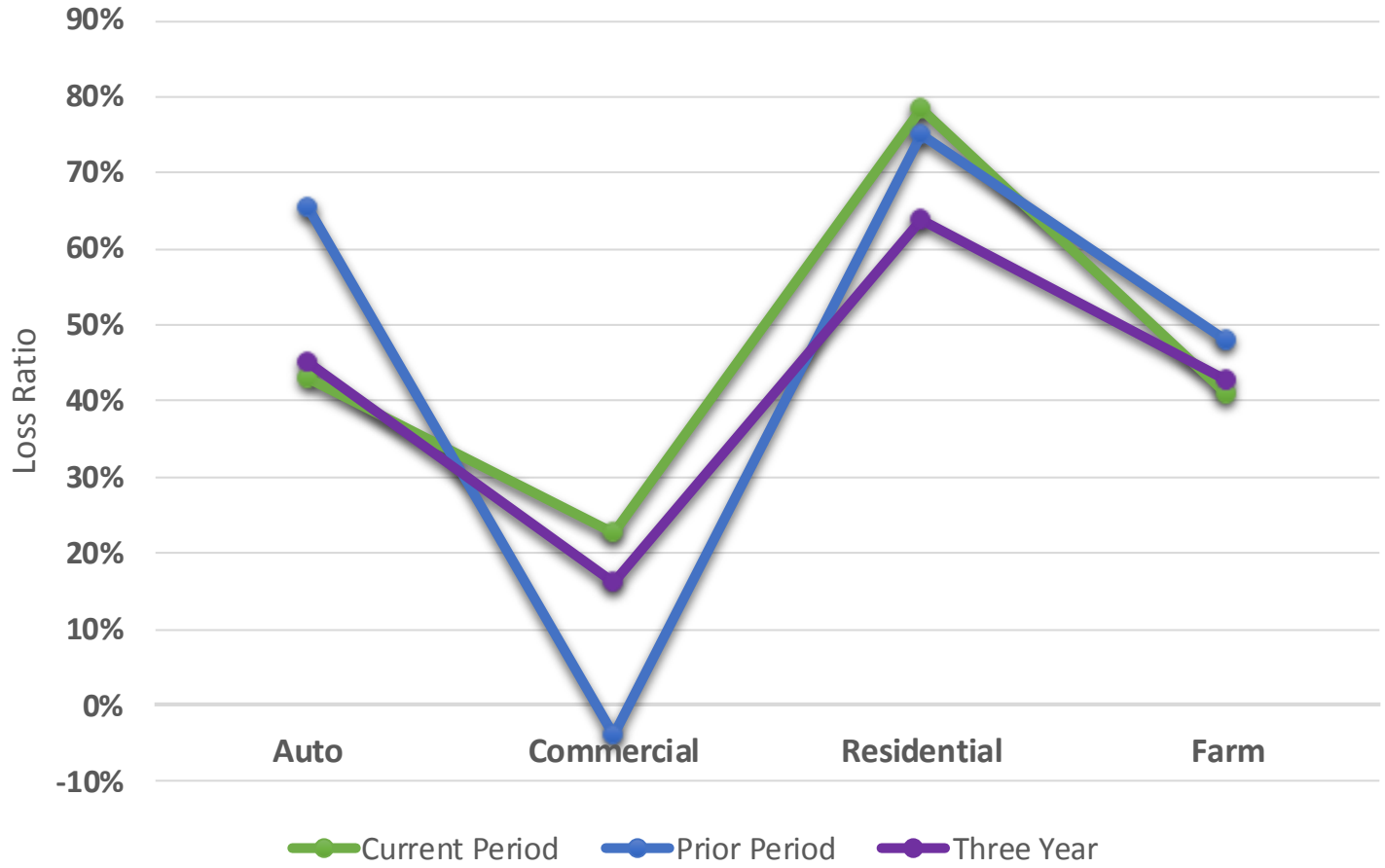


Fourth Quarter 2020



Performance by Policy Class

To December 31, 2020



Performance by Policy Class YTD

ON THE HORIZON

- Cognition+ Farm/Commercial “Alpha” testing
- Service and Quality auditing of underwriting files
- Training of recently promoted team members
- Periodic Underwriting Bulletins to brokers/agents
- HTM training videos to be launched shortly
- Water Product re-rating project to be launched Q2
- Continued emphasis of “return to profitability”

DISTRIBUTION LEAD REPORT

UPDATE TO DECEMBER 31 FOR STATS



UPDATE

- Agents Update
 - Cameron working out of Pearsons, Karen and Scott rotating between office and home
 - CIP Courses and Seminars
 - Quote and cancellation tracking
 - Consumer Portal Testing
- Broker Update
 - Yearend Zoom Meetings to begin in 2021
 - Touchpoints by phone, email, or video call

12

Number
of Broker
Meetings &
Training

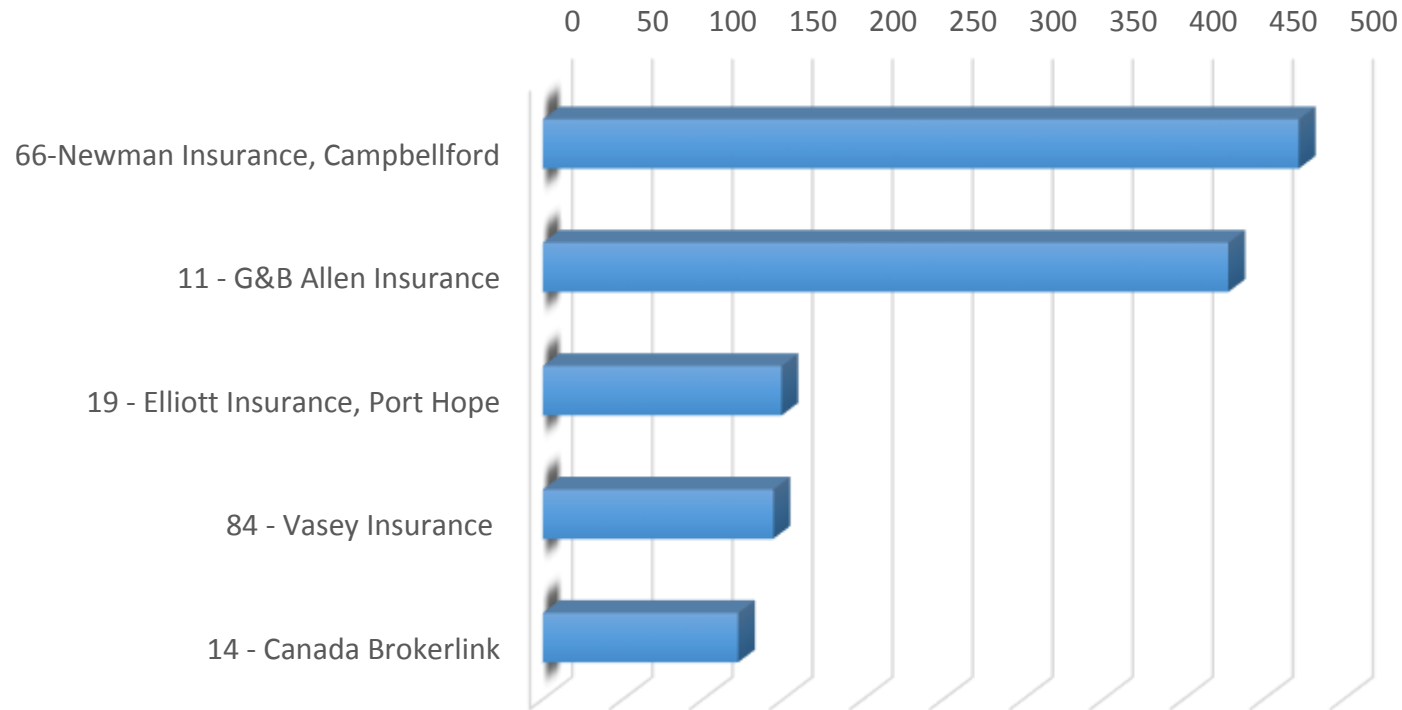
Fourth Quarter 2020

Broker/Agent	Budget	Used to Date
Allen Insurance	\$4,653	\$3000
Canada Brokerlink	\$5,511	\$5160
Darling Insurance	\$2,803	Donated
Elliott Insurance	\$3,325	\$3325
McGlennon Insurance	\$1,256	\$1256
RJ Brown	\$2,874	Donated
DG Smith	\$1,028	Donated \$500
Roughley	\$1,009	
Bulger & Gray	\$1,811	Donated
James Gordon	\$3,113	\$3,113
Pearson Insurance	\$2,251	Donated \$1,500
Newman	\$7,843	\$592
HUB Insurance	\$1,463	
Vasey Insurance	\$1,899	\$1,899
Bradley Brothers	\$1,652	\$1652
Taylor Forder	\$2,886	\$2,886
Brown and Brethour	\$1,252	Donated
Petley-Insurance	\$1,612	Donated
WB White	\$1,161	

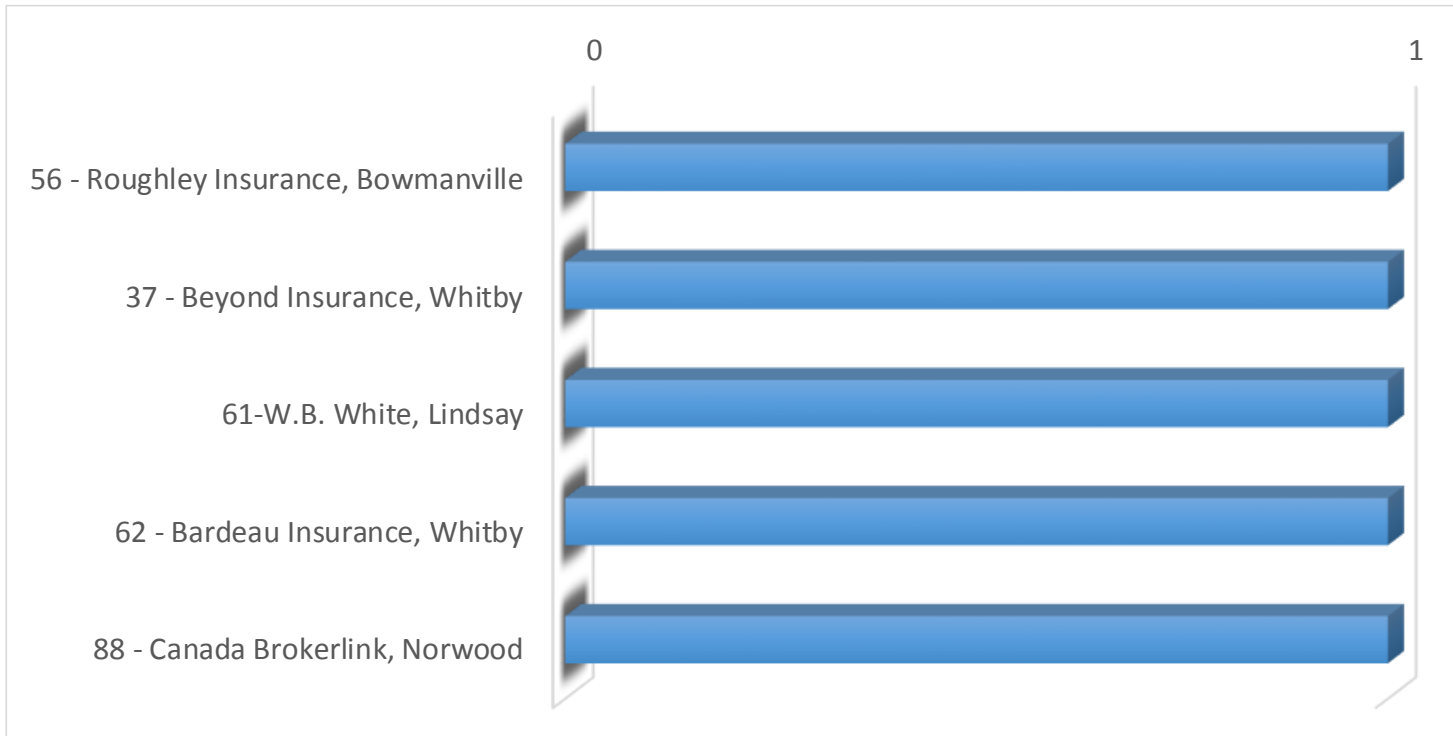
Marketing Budget 2020



Fourth Quarter 2020



Top 5 New
Policy
Counts



Bottom 5 New Policy Counts

Brokerage Group

**Gross Loss
Ratio**

Darling Insurance Group	48.2%
Hub International	44.5%
Taylor Ward Group	38.1%
Canada Brokerlink Group	36.8%
Gunter Insurance	32.0%
Petley-Roughley Group	28.2%
Vasey Insurance Brokers	24.6%
G&B Allen Insurance	22.5%
Pearson Insurance	12.9%
Gordon Insurance Brokers	12.3%
Hamilton Township	7.2%
Cameron Atkinson	0.0%
ISG - Insurance Specialty Group	0.0%
DG Smith Insurance	-1.5%
Brown & Brethour Insurance	-15.1%
W.W.D Mcglennon Insurance	-25.1%

**Lower
Loss
Ratios**

Brokerage Group

Newman Insurance Group

Bulger & Gray Insurance

Bradley Brothers Insurance

R.J. Brown Insurance Group

W.B. White Group

**Gross Loss
Ratio**

106.3%

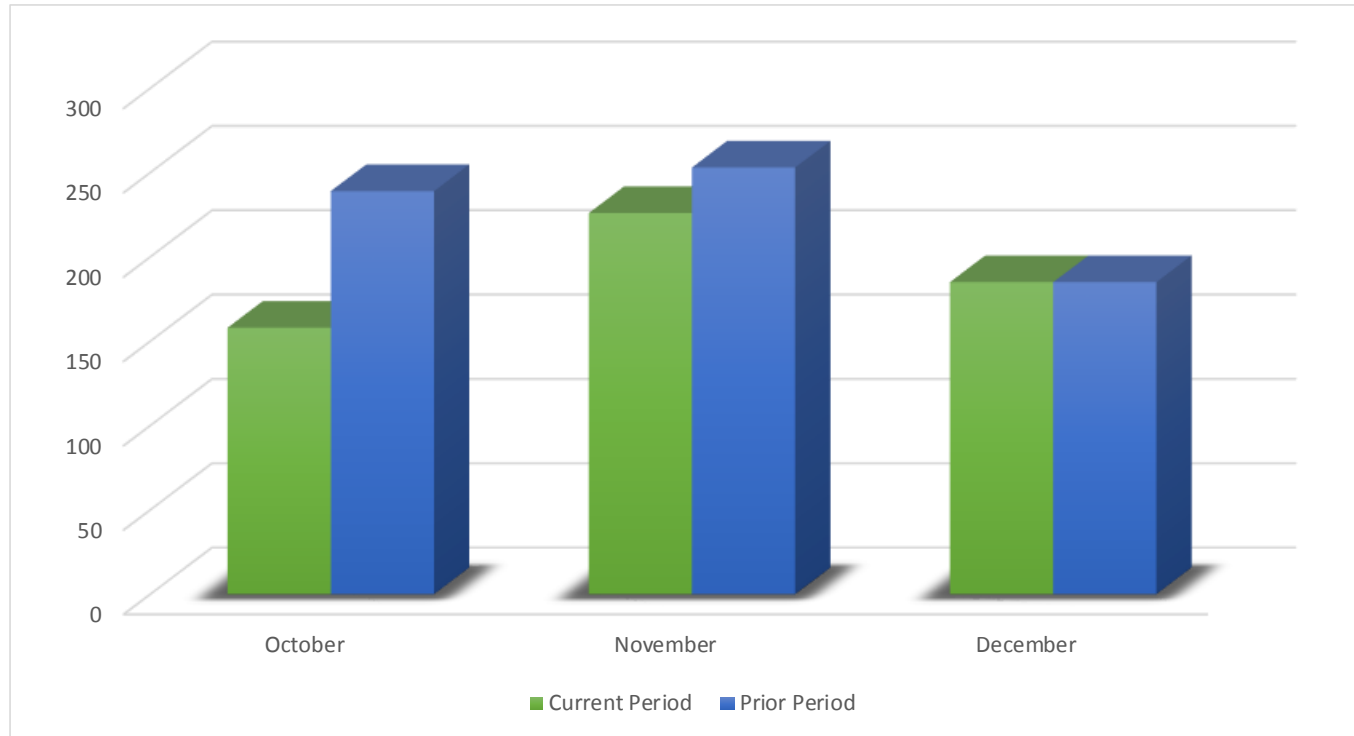
101.7%

77.6%

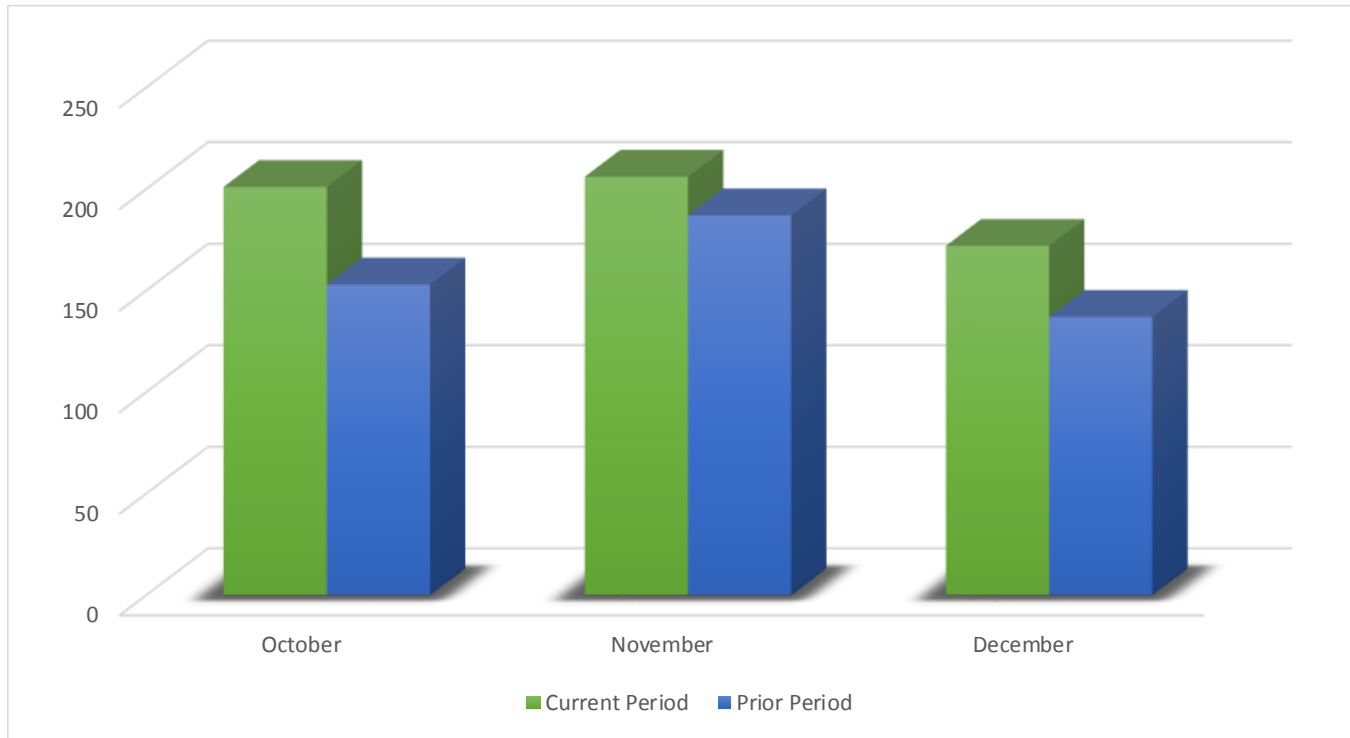
74.9%

71.8%

Higher
Loss
Ratios

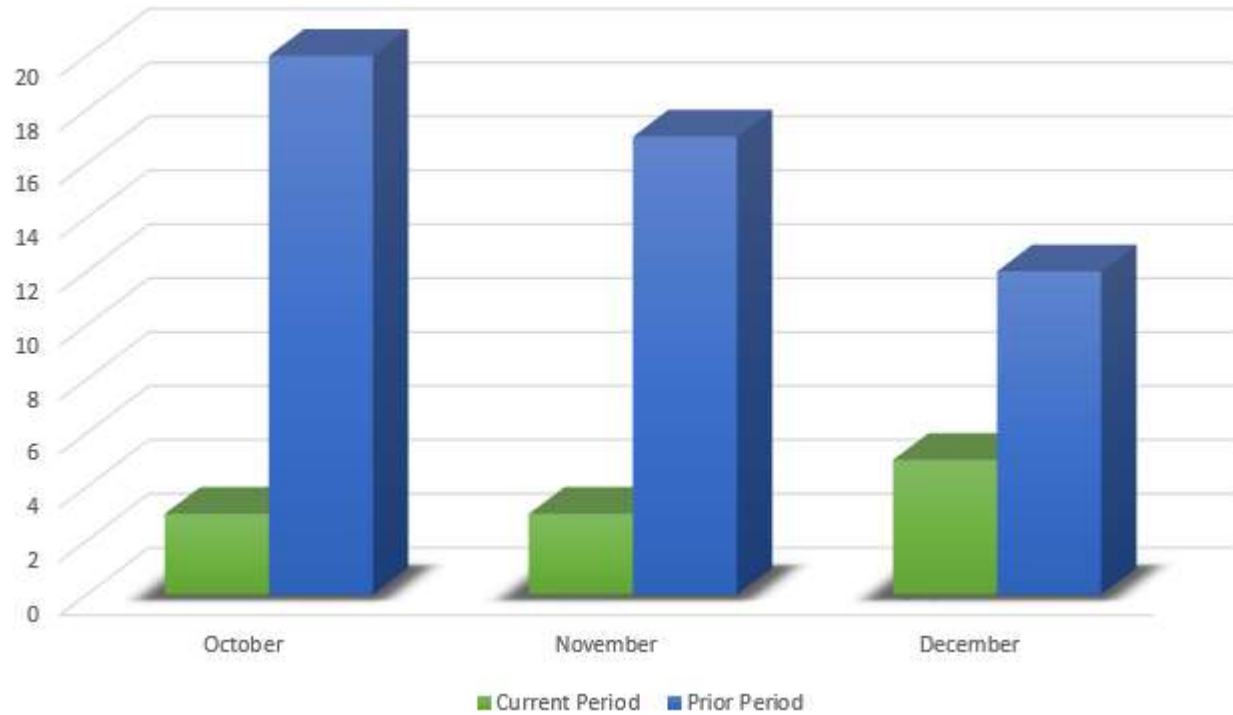


New Policy Counts by Month



Cancelled Policy Counts by Month

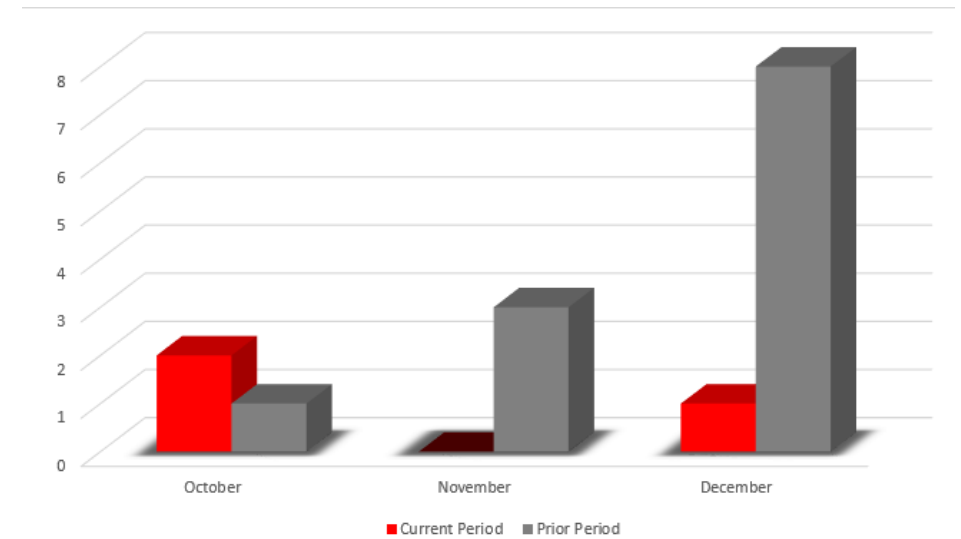
New Policy Count



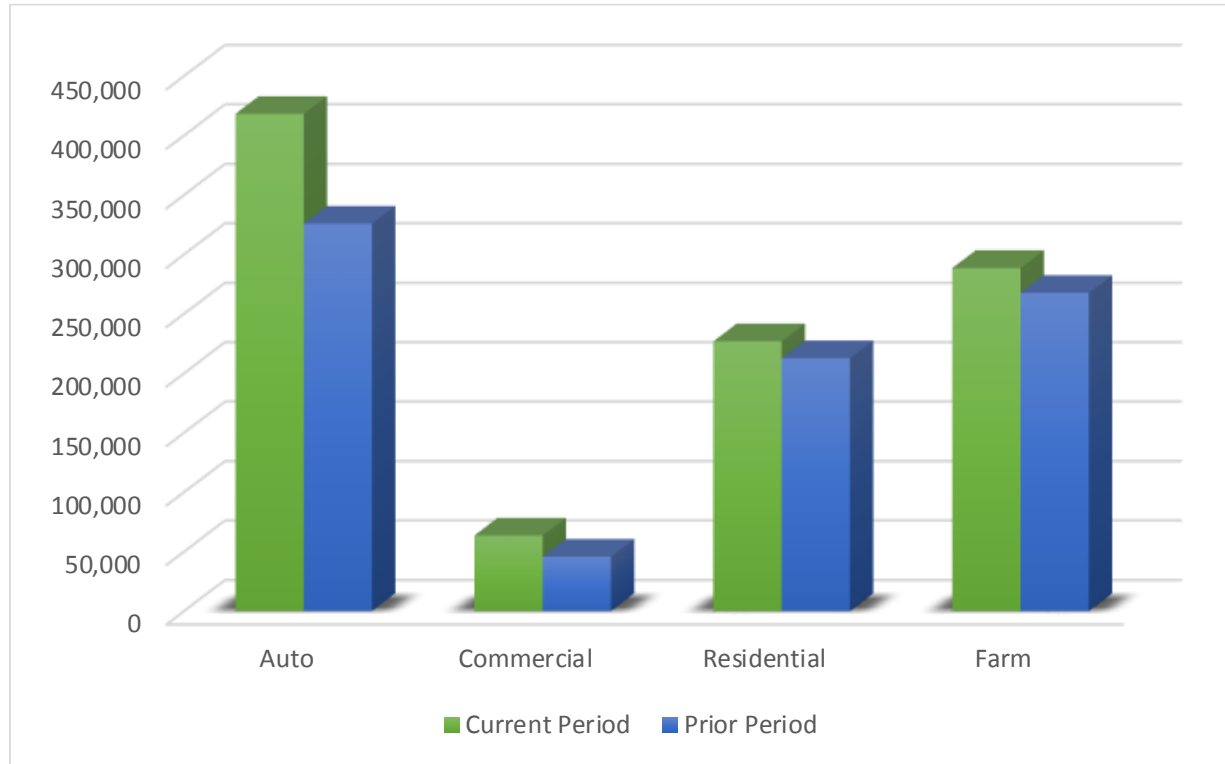
Policies in Force

660 Last Year
597
10.6%

Cancelled Policy Count



Premiums Written



Premiums Written

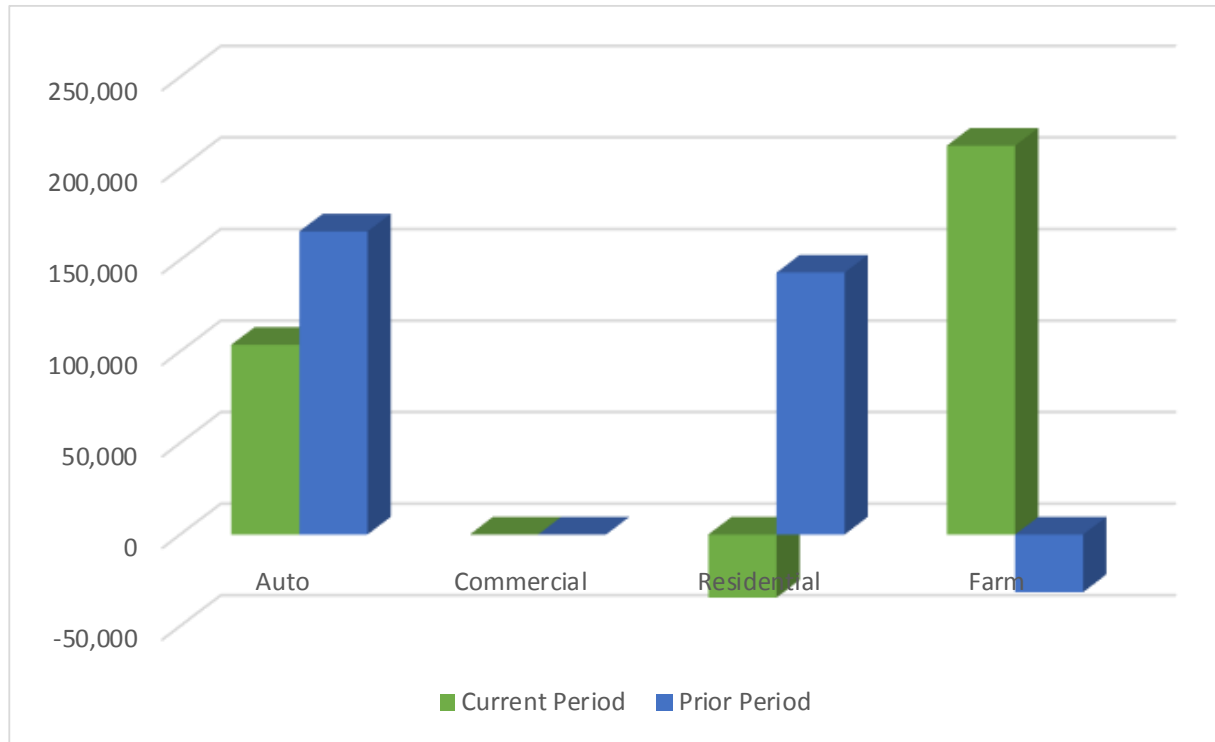
996,831

Last Year
851,584
17.1%

HTM AGENTS

Cameron, Karen and Scott

Claims Incurred



Claims Incurred
281,560 Last Year
277,177
1.6%

Claims Count
28 Last Year
22

Gross Loss Ratio
29.8% Last Year
39.5%

HTM AGENTS

Cameron, Karen and Scott

VP LOSS PREVENTION REPORT

UPDATE TO DEC 31



UPDATE

- Inspectors off the road, waiting for the end of the lock down to re-evaluate
- Returned to inspection review project
- New tablets being set up and issued to the inspectors
- Underwriting caught up on inspections

UPDATE

- 185 inspections performed in the 4th quarter
- 64 of those risks had recommendations

HTM Recommendation Breakdown – 2020 4th Quarter

Description	
Building Information (e.g. Foundation cracks)	5
Electrical	25
Heating (inc outdoor furnace)	10
Liability	34
Life Safety	15
Water (grading, downspouts etc.)	10
Roofing	6
Sump Pump/Plumbing	8
Totals	113













































VISIT **Friendly Manitoba** CANADA

CONNECTION TO NEW PROGRAMS

HOUSEPOWER FUSE PANEL

Handwritten: *Water*

1	2
3	4
5	6

Handwritten: *Fridge*, *Furnace*, *Hot water*, *Water*

7	8
9	10
11	12
13	14
15	16
17	18

19	20
----	----

21	22
23	24

25	26
27	28

29	30
31	32

33	34
35	36

37	38
39	40

WIRING DIAGRAM

NO.	DESCRIPTION	NO.	DESCRIPTION
1	KITCHEN PLUG	19	WATER PUMP
2	REFRIG. UNIT	20	WATER PUMP
3	STOVE	21	WATER PUMP
4	WATER PUMP	22	WATER PUMP
5	WATER PUMP	23	WATER PUMP
6	WATER PUMP	24	WATER PUMP
7	WATER PUMP	25	WATER PUMP
8	WATER PUMP	26	WATER PUMP
9	WATER PUMP	27	WATER PUMP
10	WATER PUMP	28	WATER PUMP
11	WATER PUMP	29	WATER PUMP
12	WATER PUMP	30	WATER PUMP
13	WATER PUMP	31	WATER PUMP
14	WATER PUMP	32	WATER PUMP
15	WATER PUMP	33	WATER PUMP
16	WATER PUMP	34	WATER PUMP
17	WATER PUMP	35	WATER PUMP
18	WATER PUMP	36	WATER PUMP
19	WATER PUMP	37	WATER PUMP
20	WATER PUMP	38	WATER PUMP
21	WATER PUMP	39	WATER PUMP
22	WATER PUMP	40	WATER PUMP

Handwritten note on a piece of paper.





CONADA
08





ENT
Panel

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Panel

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Panel

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Panel

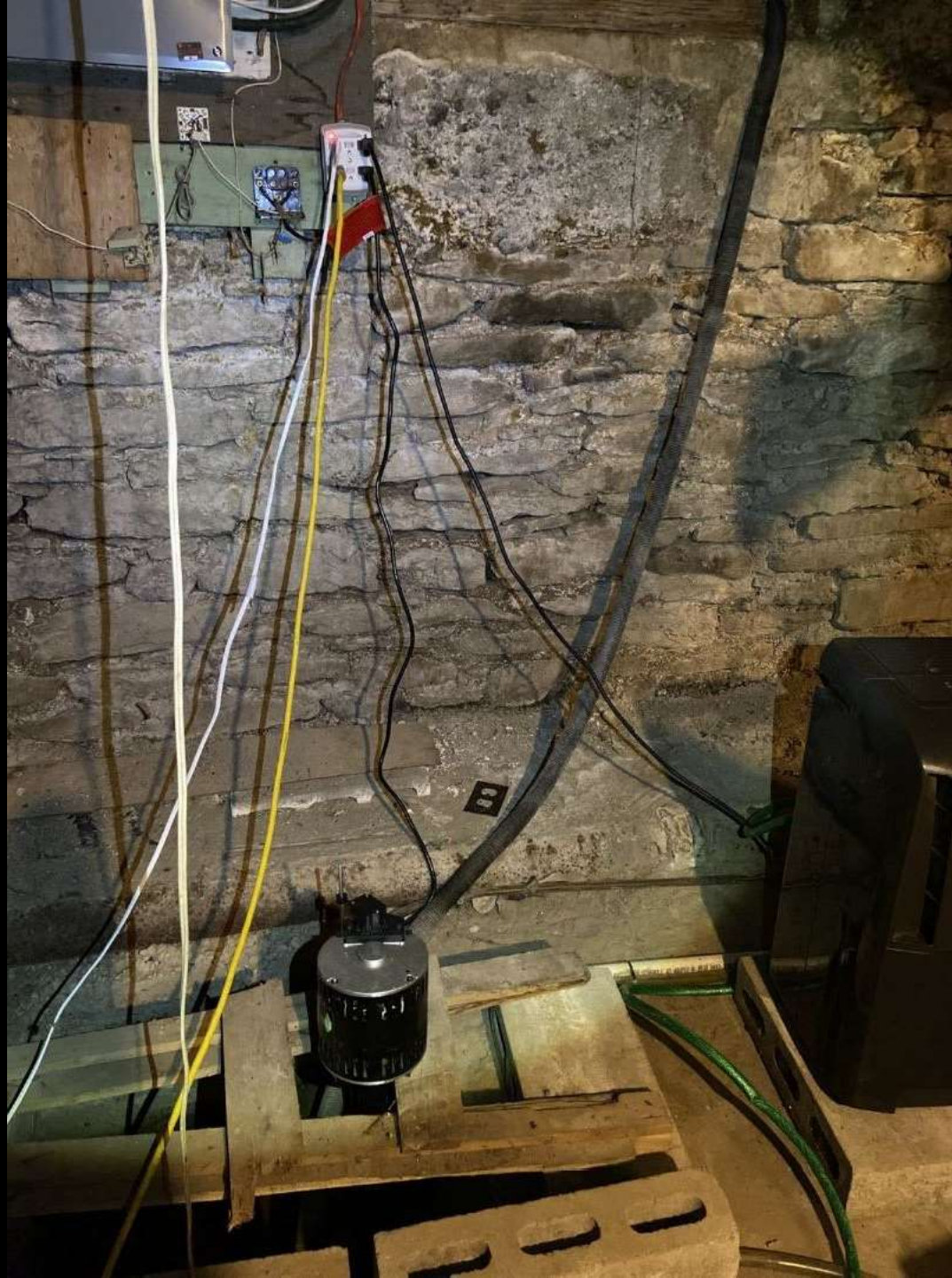
ON OFF

















Note there are Extra Alarm Force
Smoke Alarms in house.



Note: Extra Upper and
Lower Smoke Alarms
on All door ways.
There is At least 1 Smoke
Alarm in every Room.
including CO-detectors in
Bathrooms.





FINANCIAL REPORT

UPDATE TO DEC 31



UPDATE

- Andrea Birney joined our department in December
- Department has been busy with year end and responding to the auditors questions.
- April and Jenn are both working hard on their accounting education.
- Ryan and I are working on the plan for the new website.

Description	Estimate
Premium Volume	\$2M (up 7.4%)
Underwriting Profit (Loss)	\$300K
Net Profit (Loss)	TBD
Surplus	TBD

Income Forecast



2020 FINANCIALS

FINAL REPORT FOR THE YEAR





MOTION

“To approve the audit committee report”

Moved by

Seconded by



ACTION ITEMS FOR 2021

INTER-DEPARTMENT OR CROSS-TRAINING



CROSS-TRAINING

Project Manager: Bryce Clarke

Team Members: TBD

Purpose of the project: To promote a basic understanding of the inter-dependency between departments by providing cross-training opportunities for employees.

Status: Not started

Target Date: Cross training activities to start in April

CONSUMER PORTAL

Project Manager: Christine Howe

Team Members: Scott H., Ryan, April, Allison, Alec

Purpose of the project: To assist Cognition+ in the design and implementation of a consumer portal through user testing and feedback with the ultimate goal of providing a digital experience for our policyholders, Agents and Brokers and providing the same opportunity for our fellow mutuals.

Status: Kick off meeting with Cognition+
Implementing the consumer portal using HTM's test system
Initial User Training

Target Date: Going live in June

HUMAN RESOURCES

Project Manager: Steve O'Connell

Team Members: Donna, others TBD

Purpose of the project: To work with Kirwin Group in implementing improvements to our Human Resource program through policy development, training and design.

Status: Kick off meeting with Heather (Kirwin), Donna and Alec
Development of a list comparing current state versus desired

Target Date: On-going development through 2021

COGNITION+ IMPLEMENTATIONS

Project Manager: Warren

Team Members: Barb, Alec, TBD

Purpose of the project: To assist Cognition+ in the design and implementation of Commercial and Agri-business area of the insurance system through user testing and feedback with the ultimate goal of moving all lines of business to the new platform and providing the same opportunity for our fellow mutuals.

Status: Several meetings since implementation on our Beta sight
Significant user testing in the last week

Target Date: Live with Agri-business in May and Commercial in June

COMPLIANCE CALENDAR

Project Manager: Barb

Team Members: Alec

Purpose of the project: To create a compliance calendar for use by the board in 2022 by identifying and documenting key governance and compliance issues during 2021, while at the same time looking for opportunities for improvement.

Status: January compliance issues identified
Reported to the board in February

Target Date: Initial compliance calendar available January 2022

SALES WEBSITE

Project Manager: Christine Howe

Team Members: Ryan, others TBD

Purpose of the project: To investigate the benefits of having a “sales website” to assist our agents with attracting new policyholders and serving the current ones, and if deemed beneficial, to create the website.

Status: Not started

Target Date: August 2021

WEBSITE AND CENTRAL REPOSITORY

Project Manager: Donna

Team Members: Ryan, others TBD

Purpose of the project: To review our current website software platform against others to see if a change is warranted. To investigate, create and implement a central repository for digital documentation that improves on accessibility, structure and search functionality.

Status: Not started

Target Date: Repository Q2, Website Q4



DONATIONS

IDEAS FOR DONATIONS AND REVISED BUDGET FOR 2021





MOTION

“To approve a new budget of ___ dollars for 2021”

Moved by

Seconded by



CONDUCT REVIEW COMMITTEE (CRC)

REPORT TO THE BOARD FOR 2020





MOTION

“To accept the report of the Conduct review Committee for 2020”

Moved by

Seconded by



OTHER BUSINESS

LIST OF FINAL ITEMS



VIRTUAL ANNUAL MEETING

2021 Virtual Annual and Special General Meeting

TAKE NOTICE that an Annual and Special General Meeting of the Members of Hamilton Township Mutual Insurance Company will be held on the 13th day of March, 2021 at the hour of 11 am, for the purposes of:

- Receiving the Chairman's opening remarks
- Receiving and approving the Minutes of the 2020 Annual Meeting
- Receiving the 2020 Annual Financial Statement and Auditors' Report
- To consider and if thought fit, to adopt, with such amendment as may be made at the meeting, the following amendments to section 24 of the Company's By-law #4, passed by the Board of Directors January 14th, 2021:
 - Amend section 24(a) to provide that to be eligible to be elected a person must be a member of the corporation for a minimum of thirty days prior being elected; and
 - To add a new section to provide that notwithstanding section 24(a) of the By-law, with his consent in writing, a person who is not a member may be a director if he becomes a member of the Corporation at least thirty days prior to time of his first election as a director.
- Members will be provided with the text of the amendments upon request
- Electing three Directors for a three year term. Directors whose terms will expire are Van Darling, Bill Dorland and Dave Rutherford each of whom are eligible to be re-elected and have been nominated for re-election in accordance with the Company's By-laws.
- Receiving the report of the President
- Appointment of auditors for the year 2021
- Transacting any other business that may properly be brought before the meeting

The Meeting will be held electronically, allowing all members who wish to attend the meeting and vote, to do so by establishing a communications link to the meeting. Policy holders wishing to attend the Meeting electronically must contact the office or register online prior to March 1st, 2021 to pre-register with a valid policy number.

REGISTER ONLINE ➤

Register by Phone

Please call toll free **800-263-3935** during office hours to provide the required registration information. Upon verification of membership, policy holders will be provided with connection details as to how to join and participate in the electronic meeting.

Please note that a valid policy number will be required for voting.

VIRTUAL ANNUAL MEETING



Topic 2021 HTM Virtual Annual and Special General Meeting

Description Please RSVP by February 28th, 2021 @ 11:59pm

Time Mar 13, 2021 11:00 AM in [Eastern Time \(US and Canada\)](#)



First Name*

Last Name*

Email Address*

Confirm Email Address*

Phone*

HTM Policy # (required for voting eligibility)*

Any additional HTM policies? If yes, please provide policy #'s*

* Required information

Register

ADJOURN



THANK YOU