June 28, 2021 AGM

**Chairman’s Report:**

It seems like a short time ago we held our 82nd AGM. In fact, it was. With the changing status of Covid restrictions we postponed our AGM from our normal April date to the latter part of October. This year we are trying to get things back on schedule, so thanks to all of you who are here today helping us realize that.

This is our 83rd AGM and as I did last year, I’d like to report on three items on behalf of the Board.

First, 2020 was a better year financially compared to the previous year. Although we had a small underwriting loss, the sale of United General Insurance Company and other income enabled us to realize a net income of approximately $418,000 compared to a loss of $293,000 the previous year. You will have seen our audited financial statements posted for this meeting and you will hear more on our financial situation from our Auditors.

Second, I talked about the importance of Board education last year and we continue to look at ways to improve are governance practices in order to fulfill our fiduciary responsibilities as Directors and as a Board overall. The Board completed a 4-module education session provided to us by the Canadian Association of Mutual Insurance Companies (CAMIC) in December of last year. These sessions laid the foundation for a recently held Board retreat to review and enhance best management practices as it relates to Governance.

The third and final item I want to make you aware of is Director succession and recruitment. If you recall, last year we changed our bylaws that reduced the number of Directors from 9 to 6. Although this helps with costs it also adds the workload onto fewer directors. Of the 6 directors on the Board, at least two will be retiring within 2-3 years. We also have in our bylaws the ability to appoint Honorary Directors. We will be making a concerted effort this year to identify skill sets and recruit Honorary Directors in order to help fill the gap with Director retirements.

I talked about the “Mutual Way” in my report last year. For those that follow us on Social Media you would have seen the financial donations that we made to various organizations last year ……… over $47,000 was presented to 10 deserving organizations that give so much back to the people and communities we all live in…… that’s the “Mutual Way”.

Stanley Mutual is not the same as the other insurance companies… I hope you can see and experience the difference.

Our mission is “to create a community where the strength of all supports the needs of each”.

Our vision is “to responsibly grow our insurance company and communities the Mutual way”.

Our values spell **MUTUAL** - “**M**utuality, **U**nderwriting, **T**rust, **U**nderstanding, **A**ccountability and **L**ifelong learning"

My report would not be complete if I didn’t recognize the efforts of all our staff, agents and brokers. The Board greatly appreciates your loyalty and work ethic. I’d also like to particularly thank Susan McEvoy who recently retired after almost 34 years as our agent in Blackville.

Finally, thank you to my fellow Directors for your support and advice. It is an honor to represent Stanley Mutual as Chair.

Respectfully submitted,

Derek MacFarlane RPF, Prof Dir

Chair of the Board