



Members Meeting – Wed., Oct. 19 & Thurs. Oct. 20, 2016

Delta Calgary Downtown, Calgary, AB

Hosted by: CAIR

Scott Long	AEMA (Alberta Emergency Management Agency)
Susie Wong	Canadian Airports Reciprocal Insurance Exchange (CARIE)
Muneer Gilani & Andre Patry	Canadian Egg Industry Reciprocal Alliance (CEIRA)
Dave Jackson & Patrick Mahoney	Canadian Lawyers Insurance Association (CLIA)
Carrie Green	CURIE
Craig Pettigrew & Duane Gladden	Genesis and Jubilee Reciprocal Insurance Exchange
Greg King	HIROC
Tom Barnes & Maryam Sherkat	Municipal Insurance Association of BC (MIABC)
Will Burtenshaw	MUNIX-Alberta Municipal Insurance Exchange
Deborah Rozee	Nova Scotia Health Organizations Protective Association (NS HOPA)
Nahla Hanna	Ontario Municipal Insurance Exchange
Teresa Drijber & Sandra Taylo	Ontario School Boards' Insurance Exchange
Patrick Mahoney	Poultry Insurance Reciprocal
David Bethune	Poultry Insurance
Tania Meier & Laurent Mougeot	SUMAssure Insurance Reciprocal
Charle Macaluso & Nicky Koichopolos	The MEARIE Group
Emma Roberts	Base Consulting

Speakers:

Scott Long, Executive Director, Provincial Operations, Alberta Emergency Management Agency.

Will Burtenshaw, Senior Director of Insurance Claims, Alberta Municipal Services Corporation.

Maryam Sherkat, Legal Counsel & Risk Officer, MIABC

Greg King, Vice President Finance, HIROC

Sandra Taylor, CFO, OSBIE

Dinner – Wed. Oct. 19

Members enjoyed dinner and an opportunity to network.

Meeting & Forum – Thurs. Oct. 20

Chair's Welcome and Opening Remarks, Keynote Speaker

CAIR Chair Charlie Macaluso welcomed delegates and reported on highlights of the year for CAIR. Members were introduced to Base Consulting & Management, the new Association Management Company retained by the board to manage the administrative activities of CAIR.

As emcee, Nahla Hanna set the stage for the day and introduced the first session.

Scott Long, Executive Director, Provincial Operations, Alberta Emergency Management Agency presented a session entitled "*Fort McMurray Early Lessons Learned, The Way Ahead.*"

Scott's session focused on:

- The New Reality
- The Alberta Emergency Management Agency (AEMA)
- The Legislation
- AEMA Role
- State of Emergency Extraordinary Powers
- Wildfire Executive Summary Initial Lessons Learned

This was followed by **Will Burtenshaw**, Senior Director of Insurance Claims, Alberta Municipal Services Corporation with a session "*Fires and Floods, Who Would have thought it Could Happen Here*"

This session specified the various lessons learned:

- Advocate emergency preparedness and have a response plan in place which is updated regularly
- Disasters can happen anywhere, but they can be prepared for, which can lessen the impact
- Have agreements in place to have Special Risk Adjusters ready to work for your program
- Have the best loss appraisers on call in the event of a disaster
- Pre-negotiate rates for restoration contractor
- Encourage Business Continuity Programs to get the insured back up and operating ASAP

Learnings that stood out for delegates after these sessions:

- Political involvement in the process of bringing back the residents after an event like Fort MacMurray Fires
- The importance of communication during a disaster
- Business disruption vs. cessation
- Special rates pre-negotiated with contractors e.g. fire fighters
- Plans for business continuity can be discussed amongst reciprocals in each region. Then in the event of business disruption can support each other

Roundtable Sessions 1 & 2

All Members provided a brief overview of themselves and their organizations
The following questions were posed and discussed:

1. Which reciprocal do you represent and its mission?
2. Number of members and total written premium?
3. What were a couple of challenges you faced last year and how were they handled?
4. Any opportunities you are addressing?
5. Anything this group can help you with?

After discussion, the chair summarized the challenges as:

- Regulatory burden
- Increasing competition
- Desire to get more involved in ERM
- Cyber exposure coverage and risk
- Governance
- Changing relationships – succession planning, consolidation, growth etc.
- Pricing accurately

The delegates then had an open discussion around the challenges raised and how best to approach them.

- Brokers – some national brokers can be aggressive to the point where they'll take a reciprocal's data and rebrand it. One suggestion was for the reciprocal to only do business with a broker who is prepared to sign a Non-Compete clause that extends to all companies in their organization with a non-compete term post-business.
- Risk Management – If any reciprocals have risk strategies and are willing to share, send them to CAIR and they will be added to the portal. Sample OSBIE RM calendar was shared with the group. Advice was given to offer incentives e.g. 5% discount on renewal premium
- Cyber – the group explored real world examples of client experiences with cyber-attacks. The discussion looked at whether ransom coverage should be provided as well as technical costs.
- Governance – CAIR board to consider running a session on this topic
- Changing relationships – succession planning, consolidation, growth etc.
- Pricing accurately – reciprocals are there to offer coverage, risk manage that coverage and build the relationship. Decision makers have to buy into the concept of reciprocals.

Session “Enterprise Risk Management for Reciprocals”

Presented by **Maryam Sherkat**, Legal Counsel & Risk Officer, MIABC

Maryam Sherkat provided an overview of the development and implementation of the MIABC Risk Management Program. The group also discussed the benefits of the Risk Officer role and the independent relationship with the board.

Challenges of ERM were identified as

- Commitment to and understanding of ERM both at the Staff and Board level.
- Maintaining momentum.
- Quantifying risk rating and measuring progress.
- Continued monitoring and assessment.

Benefits:

- Evolved approach to be more proactive with respect to risk management and identifying risks of not taking certain risks.
- Identified areas of concern and the order in which we needed to focus our resources and efforts.
- Encouraged cross-departmental interaction and cooperation.

Closing Speakers

Greg King, Vice President Finance, HIROC

Sandra Taylor, CFO, OSBIE

This was a closed, undocumented session focused on Income status for Reciprocal.

CAIR Action Items

- Board to discuss creating a governance session on “Good governance for reciprocals”
- Can CAIR contribute to a generic video/document – what is a reciprocal and what it does etc.

Meeting Closing

Planning Committee Chair, Nahla Hanna thanked everyone for attending the all member meeting and making it such a success.

CAIR Chair, Charlie Macaluso opened the floor to questions and suggestions as to what CAIR can offer to members.