



A BETTER FUTURE FOR
OUR COMMUNITY
TODAY



Usborne & Hibbert
Mutual Fire Insurance Company

A Message from Our Chair



Another year has passed. The year, 2023 had its challenges with uncertainty in the economy to the war overseas. We are blessed to live in a country like ours.

The Board of Directors are pleased to announce a 5% refund from surplus for the 2023 year.

Thank you to Shelagh, staff, agents and brokers for the great work they do.

Thank you to the policyholders for your loyalty to Usborne & Hibbert Mutual. We wish you all good health and a safe year.

A handwritten signature in black ink that reads "Tom Feeney".

Tom Feeney,
Chair, Board of Directors
Usborne & Hibbert Mutual Fire Insurance Company

A Message from Our President & CEO



Looking back over this past year everyone at Usborne & Hibbert Mutual is driven to provide excellent service to our policyholders. In July the board and management held a strategic planning session. The priorities centre on ensuring that the company is focused on employee engagement, growth, technology, financial responsibility, customer relationships, industry engagement and risk management.

A new accounting standard, IFRS-17 was introduced in 2023 and the financial statements are in this new format. For comparison purposes the 2022 financial statement has been restated to

IFRS-17. Gross written premium is no longer reported and has been replaced with insurance revenue. Insurance revenue is gross written premium less unearned premiums. I am happy to report in 2023 the company grew over 15% in total revenue to \$14.5 million.

Insurance service expenses includes claims, commissions and all expenses that can be directly attributed to acquiring and servicing policies. In 2023 insurance services expenses increased to \$12.7 million. Liability has in the past been a profitable line for Usborne & Hibbert, however this year we had two liability claims that resulted in over a \$3 million dollar increase in reserves. Automobile claims also increased to pre-pandemic levels and both these lines were unprofitable in 2023. Property claims experience was excellent with no significant weather events or large losses above retention.

Under IFRS 17 reinsurance premiums paid are netted against reinsurance recoveries as net income (expense) from reinsurance contracts held. In 2023, Usborne & Hibbert paid \$1 million more for reinsurance than it recovered. The reinsurance market continues to be challenging and our reinsurance rates in recent years experienced significant increases which have been off set by increasing retention levels.

Investment income was \$2.7 million compared to a loss of \$1.2 million in 2022. The investments include interest and dividend payments along with market value gains and losses.

The Board of Directors approved a 5% refund from surplus which means \$497,000 will be given back to qualifying policyholders in the coming weeks.

Bottom line after income taxes the net income for the year was \$1,678,482. The member's surplus is now \$39,313,334 and provides assurance that we are a financially strong and stable organization.

Our goal at Usborne & Hibbert Mutual is to build relationships with our policyholders. We have done this for 147 years! We believe these strong relationships are key to providing you with personal service dedicated to your specific needs.

I wish to acknowledge the Board of Directors, employees, agents and brokers for their commitment to Usborne & Hibbert Mutual and to our continued success.

Thank you, policyholders for placing your trust in us.

Sincerely,

A handwritten signature in black ink that reads "Shelagh Cleary". The signature is written in a cursive, flowing style.

Shelagh Cleary, BA, FCIP
President & CEO
Usborne & Hibbert Mutual Fire Insurance Company

Community Donations

Usborne & Hibbert Mutual is proud to support the communities where we live and work. In 2023 the company donated over \$57,000 to the following organizations:

- ❖ Academic Scholarships to 11 local high schools
- ❖ Ritz Lutheran Villa – Mitchell
- ❖ South Huron Hospital Foundation
- ❖ St. Mary's Healthcare Foundation
- ❖ Huron Hospice - Clinton
- ❖ Optimism Place Women's Shelter & Support Services
- ❖ Perth Waterloo Egg Farmers
- ❖ Exeter Food Bank
- ❖ Noah's Ark & The Community Table
- ❖ Huron Area Search & Rescue (HASAR)
- ❖ Community Addiction and Mental Health Services (CAMHS)
- ❖ Ausable Bayfield Conservation Foundation

In keeping with our strong agricultural roots we continue to support and sponsor the Mitchell and Kirkton Fall Fairs.



Usborne & Hibbert Mutual Fire Insurance Company

Notice of Annual and Special General Meeting

The 148th Annual and a Special General Meeting of the Usborne & Hibbert Mutual Fire Insurance Company will be held at the **Mitchell Golf Club at 7 p.m. on Monday, March 18, 2024** for the presentation of the Annual Report, to elect Directors, to appoint auditors, to transact any business that may rightly come before the meeting and to consider and if thought fit, to adopt, with such amendments as may be made at the meeting, amendments to the General By-laws of the Corporation. Consistent with current best practices, the Bylaws have been revised to provide gender-neutral pronouns. The change to the Bylaws was passed by the Board of Directors at their meeting on January 16, 2024. A full copy of the General By-laws as amended is available for review by all members at the Company office during regular business hours, or will be provided upon request.

Nominations will be received for the election of two Directors for a three year term. The Directors whose three year term of office expires are Calvin Strathdee and Alex Gibson. Both Calvin and Alex have indicated their intent to stand for re-election.

Pursuant to the General By-laws of the Corporation anyone wishing to seek election must file notice of their intention in writing with the Secretary of the Corporation at least 30 days before the annual meeting.

The 2023 Financial Statements for Usborne & Hibbert Mutual will be posted to the company's website. Copies will be available at the company office, 507 Main Street South, Exeter, Ontario, or may be obtained by sending a written notice to the company office at least 14 days before the meeting.

By Order of the
Board of Directors

Shelagh Cleary
Corporate Secretary