

Minutes of Meeting
33rd Annual General Meeting of
the Veterinary Professional Insurance Society (Inc)
zoom video conference
5.30pm 28 April 2020

.....

1. Confirmation of quorum

The Chairman advised that a quorum has been reached.

2. Welcome

Gavin Shepherd welcomed members to the 33rd Annual General Meeting of the Veterinary Professional Insurance Society (VPIS).

Present: Gavin Shepherd (Chair), Mark Gilmour (Vice Chair), Paul Fraser, Vince Peterson, Steve Cranefield, Brendon Bell, Jim Rhynd, Tanya Page, Tim Montgomery (Auckland Veterinary Centre), Seton Butler (Kelburn Vet Centre), Craig Lawrence (Cambridge Equine Hospital) Terry Youngman (Anexa FVC Morrinsville), Adam Hittman (VetOra), Mark Bryan (VetSouth), Neil Houston (Veterinary Associates Equine & Farm), Andrea Ritmeester (Matamata Veterinary Services), Mark Hosking (Franklin Veterinary Services), Matt Kibble (Commercial manager Anexa FVC), Grant McCullough (Veterinary Hospital Group)

In attendance: Alpha Woolrich (CEO), Margaret Carter (CFO), Richard Anderson, Trish Thorpe (Minutes)

3. Apologies

It was resolved

That the apologies of Chris Carter (Totally Vets) Andrew Grierson (Auckland Veterinary Centre) Dave Keenan (Matamata Veterinary Services), Adrian Campbell (VetLife), are accepted

Gavin Shepherd / Mark Gilmour

Carried

4. It was resolved

That the minutes of the 2019 Annual General Meeting are accepted as a true and accurate record

Paul Fraser / Craig Lawrence
Carried

5. Chairman's Report

The Chairman confirmed that his report was circulated.

The Chairman also noted that due to the current Covid-19 circumstances that the next financial year may be more challenging. Total premium income collected was higher than forecast as a result of premium increases from policy changes and increased reinsurance costs, bringing forward the timeframe for breaching the small insurer threshold of \$1.5m from four years to 2-3 years. Therefore due to the large insurer status requirement for VPIS to have \$3 million in solvency reserves the Board has been building reserves over time to meet this requirement.

The Chairman acknowledged the invaluable support of: Our reinsurer Vero Liability; Christine Ormrod, Actuary PWC; our brokers at Crombie Lockwood, our legal panel of solicitors being - Mahoney Horner, Darroch Forrest and Morgan Coakle; VPIS board Dr Paul Fraser (equine), Dr Brendon Bell (equine), Dr Mark Gilmour (production animal) and Dr Steve Cranefield (Dairy), Dr Tanya Page (companion animal) and Jim Rhynd (ARVP farmer representative). Dr Vince Peterson continues to provide invaluable support to the Board through secondment; and VPIS CEO Alpha Woolrich supported by Trish Thorpe and Richard Anderson (IT) and Margaret Carter CFO.

The Chairman also thanked NZVA for their support as a major service provider, and partner, represented by Kevin Bryant CEO.

CEO's report

CEO provided comparative detail on recent claims experience, claims settlements and defence costs and length of time to settle a claim which may take several years. Equine claim costs incurred doubled compared to the previous year. Equine claims typically incur higher settlement costs compared to companion animal claims which can incur higher defence costs. VCNZ complaints are considerably lower than previous years. Legal expenses for claims support have been decreasing.

It was resolved

That the 2019 Chairman's report is accepted

Gavin Shepherd / Brendon Bell
Carried

6. Financial Report

Mark Gilmour spoke to the annual accounts noting:

VPIS purpose has always been to support the veterinary profession by providing tailored liability insurance, and VPIS has a stable membership. Total veterinary practice turnover is steadily increasing, although this may be affected by the Covid-19 pandemic. Two of the main impacts of Covid-19 and the anticipated recession are negative investment returns and a reduction in premium income, which may play in our favour by allowing us to stay a small insurer for longer.

Claims volume and costs have been increasing, resulting in increased reinsurance costs and make it difficult to grow our capital base. While investment in the new Ezidocs insurance platform is industry leading, unfortunately as an intangible asset it does not count towards our solvency capital therefore reducing our solvency this year.

It was resolved

That the annual accounts for the year ended 30 September 2019 are adopted

Mark Gilmour / Vince Peterson
Carried

It was resolved

That the current auditor Deloitte be appointed for the 2020-2021 period

Gavin Shepherd / Vince Peterson
Carried

7. Election of Officers

Two Board members retired by rotation: Gavin Shepherd and Tanya Page. Each were willing to stand again. There were no additional nominations. Gavin Shepherd and Tanya Page were declared re-elected for a 3-year term.

Margaret Carter has been appointed as part time Chief financial officer.

8. General Business

VCNZ complaints: Mainly around poor communication as a key failure which drive VCNZ complaints. VCNZ have seen fewer complaints compared to previous years, which may be due to a cyclic effect and triaging.

Disclaimer – Administration DCAT and ITS

The disclaimer has been circulated to insureds as VPIS is concerned about liability for veterinary practices. This was developed as a response to practices often not having control over farmer clients' administration of DCAT and ITS and heightened during Covid-19 restrictions. VPIS strongly recommends that veterinary practices use the disclaimer.

Venue for 2021 Annual General Meeting: Date and venue to be advised.

The Chairman thanked everyone for attending.

Meeting ended at 6.20pm