



SUMMARY OF FINANCIAL POSITION AND OPERATIONS
(\$000s omitted)

	Consolidated					Personal Lines Account				
	Mar 2020	Mar 2019	Budget 2020	YOY Var	Budget Var	Mar 2020	Mar 2019	Budget 2020	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 225,724	\$ 202,139	\$ 208,265	\$ 23,585	\$ 17,460	\$ 144,156	\$ 125,532	\$ 131,737	\$ 18,624	\$ 12,420
Ceded written premium:										
Depopulation	(1,436)	(2,838)	(2,003)	1,401	566	38	(1,450)	(777)	1,488	815
FHCF	-	-	-	-	-	-	-	-	-	-
Private reinsurance	-	-	-	-	-	-	-	-	-	-
Net earned premium	217,733	207,361	208,314	10,372	9,420	139,031	128,219	134,390	10,812	4,641
Net losses incurred	53,338	52,511	85,422	827	(32,085)	43,262	51,697	72,290	(8,436)	(29,028)
Net LAE incurred	44,065	49,037	27,981	(4,972)	16,085	34,492	39,870	24,378	(5,378)	10,113
Other underwriting expenses	22,326	21,132	21,198	1,193	1,128	13,811	12,781	13,013	1,030	798
Administrative expenses	35,389	35,563	33,460	(173)	1,929	22,602	22,085	21,545	517	1,057
Net Investment income	56,409	41,753	37,876	14,657	18,533	19,270	14,291	11,633	4,980	7,637
Net income (loss)	\$ 119,800	\$ 91,554	\$ 78,323	\$ 28,246	\$ 41,477	\$ 44,664	\$ 16,555	\$ 14,932	\$ 28,110	\$ 29,733
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 8,856,085	\$ 8,878,282 (1)		\$ (22,197)		\$ 2,991,138	\$ 2,941,410 (1)		\$ 49,728	
Net Loss Reserves	346,711	393,658 (1)		(46,947)		234,437	263,051 (1)		(28,614)	
Net LAE Reserves	294,515	307,917 (1)		(13,403)		232,506	242,435 (1)		(9,929)	
Net unearned premium	453,042	446,487 (1)		6,555		293,004	287,841 (1)		5,162	
Bonds and interest payable	1,213,748	1,355,414 (1)		(141,666)		427,333	423,534 (1)		3,799	
Surplus	\$ 6,431,934	\$ 6,317,933 (1)		\$ 114,001		\$ 1,792,183	\$ 1,747,896 (1)		\$ 44,287	
Policy Metrics:										
Policies inforce	446,327	420,467	431,637	25,860	14,690	327,593	300,786	317,989	26,807	9,604
Policies serviced	450,274	434,050	441,364	16,224	8,910	329,961	307,478	323,103	22,483	6,858
Cash flows										
Cashflow from operations	\$ 104,936	\$ (30,455)		\$ 135,391		\$ 47,049	\$ 1,255		\$ 45,794	
Cashflow from investing	198,561	124,049		74,512		(11,801)	86,163		(97,964)	
Cashflow from financing	(150,404)	(893)		(149,511)		106	(89)		195	
Operating metrics:										
Direct loss ratio	32.0%	25.3%	41.0%	6.7%	9.0%	42.4%	40.3%	53.8%	2.1%	11.3%
Direct LAE ratio	20.6%	23.6%	13.4%	3.0%	7.2%	25.4%	31.1%	18.1%	5.7%	7.2%
Underwriting expense ratio	9.9%	10.5%	10.2%	0.6%	0.3%	9.6%	10.2%	9.9%	0.6%	0.3%
Administrative expense ratio	15.7%	17.6%	16.1%	1.9%	0.4%	15.7%	17.6%	16.4%	1.9%	0.7%
Expense ratio	25.6%	28.0%	26.2%	2.5%	0.7%	25.3%	27.8%	26.2%	2.5%	1.0%

(1) - Balance sheet information presented is as of December 31, 2019



SUMMARY OF FINANCIAL POSITION AND OPERATIONS
(\$'000s omitted)

	Commercial Lines Account					Coastal Account				
	Mar	Mar	2020	YOY Var	Budget Var	Mar 2020	Mar 2019	Budget 2020	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 3,041	\$ 3,134	\$ 2,401	\$ (93)	\$ 639	\$ 78,527	\$ 73,474	\$ 74,127	\$ 5,053	\$ 4,400
Ceded written premium:										
Depopulation	-	(9)	(17)	9	17	(1,474)	(1,379)	(1,208)	(95)	(266)
FHCF	-	-	-	-	-	-	-	-	-	-
Private reinsurance	-	-	-	-	-	-	-	-	-	-
Net earned premium	3,001	3,491	2,733	(490)	268	75,701	75,651	71,190	50	4,511
Net losses incurred	(318)	(9,653)	373	9,335	(691)	10,394	10,466	12,759	(73)	(2,366)
Net LAE incurred	417	(432)	22	849	395	9,157	9,599	3,580	(442)	5,576
Other underwriting expenses	400	424	319	(24)	81	8,115	7,927	7,866	188	249
Administrative expenses	477	551	340	(75)	137	12,311	12,926	11,575	(615)	736
Net Investment income	14,820	11,729	10,186	3,091	4,634	22,318	15,732	16,057	6,586	6,261
Net income (loss)	\$ 16,857	\$ 24,345	\$ 11,880	\$ (7,487)	\$ 4,977	\$ 58,278	\$ 50,654	\$ 51,511	\$ 7,624	\$ 6,767
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 1,934,032	\$ 1,909,325 (1)		\$ 24,707		\$ 3,930,914	\$ 4,027,547 (1)		\$ (96,633)	
Net Loss Reserves	38,153	42,815 (1)		(4,662)		74,122	87,792 (1)		(13,670)	
Net LAE Reserves	10,127	10,709 (1)		(582)		51,882	54,774 (1)		(2,892)	
Net unearned premium	5,841	5,801 (1)		40		154,196	152,844 (1)		1,352	
Bonds and interest payable	67,495	66,894 (1)		600		718,920	864,985 (1)		(146,065)	
Surplus	\$ 1,811,462	\$ 1,796,507 (1)		\$ 14,955		\$ 2,828,289	\$ 2,773,530 (1)		\$ 54,759	
Policy Metrics:										
Policies inforce	720	847	639	(127)	81	118,014	118,834	113,009	(820)	5,005
Policies serviced	720	861	663	(141)	57	119,593	125,711	117,598	(6,118)	1,995
Cash flows										
Cashflow from operations	\$ 12,148	\$ 4,671		\$ 7,477		\$ 45,739	\$ (36,381)		\$ 82,120	
Cashflow from investing	22,632	(2,758)		25,390		187,730	40,644		147,086	
Cashflow from financing	(251)	37		(288)		(150,259)	(841)		(149,418)	
Operating metrics:										
Direct loss ratio	10.2%	276.5%	13.7%	286.7%	3.5%	13.7%	13.8%	17.9%	0.1%	4.2%
Direct LAE ratio	14.9%	12.4%	0.8%	27.3%	14.1%	12.1%	12.7%	5.0%	0.6%	7.1%
Underwriting expense ratio	13.2%	13.5%	13.3%	0.4%	0.1%	10.3%	10.8%	10.6%	0.5%	0.3%
Administrative expense ratio	15.7%	17.6%	14.2%	1.9%	1.5%	15.7%	17.6%	15.6%	1.9%	0.1%
Expense ratio	28.8%	31.1%	27.4%	2.3%	1.4%	26.0%	28.4%	26.2%	2.4%	0.2%

(1) - Balance sheet information presented is as of December 31, 2019



STATEMENT OF OPERATIONS	Consolidated Three months ended		Personal Lines Account (PLA) Three months ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue:				
Direct premiums written	\$ 225,724,380	\$ 202,139,419	\$ 144,156,160	\$ 125,531,868
Change in direct unearned premium	(5,454,252)	10,922,874	(3,580,726)	4,512,613
Direct earned premium	220,270,128	213,062,293	140,575,434	130,044,481
Ceded premiums written - Depopulation	(1,436,465)	(2,837,825)	37,619	(1,450,341)
Ceded premiums written - FHCF	-	-	-	-
Ceded premiums written - Private reinsurance	-	-	-	-
Change in ceded unearned premium	(1,100,374)	(2,863,660)	(1,581,747)	(375,065)
Ceded earned premium	(2,536,838)	(5,701,486)	(1,544,128)	(1,825,406)
Net earned premium	\$ 217,733,290	\$ 207,360,808	\$ 139,031,306	\$ 128,219,075
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (138,603,938)	\$ (225,637,636)	\$ (93,709,961)	\$ (142,044,073)
Change in direct case loss reserves	23,163,829	35,262,016	13,944,108	14,220,064
Change in direct IBNR loss reserves	45,727,784	137,864,814	20,752,105	76,126,513
Ceded losses incurred	16,374,729	0	15,751,754	-
Losses incurred	(53,337,595)	(52,510,806)	(43,261,994)	(51,697,496)
Loss adjustment expenses				
Direct D&CC paid	(27,228,382)	(33,837,058)	(20,816,370)	(25,293,537)
Direct A&O paid	(34,638,517)	(39,391,045)	(24,696,067)	(27,390,007)
Change in direct case LAE reserves	3,192,754	10,828,710	1,048,663	7,507,880
Change in direct IBNR LAE reserves	13,790,148	13,362,276	9,184,350	5,305,442
Ceded LAE incurred	818,736	0	787,588	0
LAE incurred	(44,065,261)	(49,037,117)	(34,491,836)	(39,870,221)
Net losses and LAE incurred	\$ (97,402,856)	\$ (101,547,922)	\$ (77,753,830)	\$ (91,567,718)
Underwriting and Administrative Expenses:				
Producer Commissions	(16,727,905)	(15,111,384)	(10,155,123)	(8,890,288)
Taxes and fees	(2,927,157)	(2,501,732)	(1,936,091)	(1,630,351)
Other underwriting expenses	(2,670,649)	(3,519,366)	(1,719,629)	(2,260,619)
All other administrative expenses	(35,389,478)	(35,562,527)	(22,601,676)	(22,084,908)
Underwriting and administrative expenses	(57,715,188)	(56,695,008)	(36,412,519)	(34,866,166)
Underwriting income (loss)	\$ 62,615,246	\$ 49,117,877	\$ 24,864,958	\$ 1,785,191
Net investment income:				
Net interest income (expense)				
Investment income earned	53,017,682	57,254,904	17,790,714	19,890,490
Interest expenses	(10,660,162)	(14,849,784)	(3,799,050)	(4,938,667)
Net interest income (expense)	42,357,520	42,405,120	13,991,664	14,951,823
Realized capital gains (losses)	14,051,594	(652,508)	5,278,829	(660,982)
Net investment income	\$ 56,409,114	\$ 41,752,612	\$ 19,270,493	\$ 14,290,841
Other income (expense)	775,674	683,129	529,000	478,672
Net income (loss)	\$ 119,800,034	\$ 91,553,618	\$ 44,664,450	\$ 16,554,704



STATEMENT OF OPERATIONS	Commercial Lines Account (CLA) Three months ended		Coastal Account Three months ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue:				
Direct premiums written	\$ 3,040,735	\$ 3,133,514	\$ 78,527,485	\$ 73,474,037
Change in direct unearned premium	(39,846)	380,438	(1,833,680)	6,029,823
Direct earned premium	3,000,889	3,513,952	76,693,805	79,503,860
Ceded premiums written - Depopulation	-	(8,504)	(1,474,084)	(1,378,980)
Ceded premiums written - FHCF	-	-	-	-
Ceded premiums written - Private reinsurance	-	-	-	-
Change in ceded unearned premium	-	(14,448)	481,374	(2,474,147)
Ceded earned premium	-	(22,952)	(992,710)	(3,853,128)
Net earned premium	\$ 3,000,889	\$ 3,491,000	\$ 75,701,095	\$ 75,650,733
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (4,344,252)	\$ (11,083,397)	\$ (40,549,725)	\$ (72,510,166)
Change in direct case loss reserves	1,748,963	17,815,101	7,470,757	3,226,851
Change in direct IBNR loss reserves	2,290,401	2,921,423	22,685,278	58,816,878
Ceded losses incurred	622,976	-	0	-
Losses incurred	318,088	9,653,128	(10,393,690)	(10,466,437)
Loss adjustment expenses				
Direct D&CC paid	(465,179)	(259,495)	(5,946,833)	(8,284,025)
Direct A&O paid	(533,556)	(1,962,561)	(9,408,894)	(10,038,477)
Change in direct case LAE reserves	516,290	1,257,307	1,627,801	2,063,523
Change in direct IBNR LAE reserves	34,484	1,396,682	4,571,314	6,660,151
Ceded LAE incurred	31,149	-	0	-
LAE incurred	(416,813)	431,933	(9,156,612)	(9,598,828)
Net losses and LAE incurred	\$ (98,724)	\$ 10,085,060	\$ (19,550,302)	\$ (20,065,265)
Underwriting and Administrative Expenses:				
Producer Commissions	(331,270)	(335,990)	(6,241,512)	(5,885,106)
Taxes and fees	(41,488)	(40,037)	(949,578)	(831,344)
Other underwriting expenses	(27,153)	(48,343)	(923,867)	(1,210,404)
All other administrative expenses	(476,709)	(551,281)	(12,311,093)	(12,926,338)
Underwriting and administrative expenses	(876,619)	(975,651)	(20,426,050)	(20,853,192)
Underwriting income (loss)	\$ 2,025,545	\$ 12,600,410	35,724,743	34,732,275
Net investment income:				
Net interest income (expense)				
Investment income earned	12,321,256	12,564,674	22,905,712	24,799,741
Interest expenses	(600,035)	(780,031)	(6,261,076)	(9,131,087)
Net interest income (expense)	11,721,221	11,784,643	16,644,636	15,668,654
Realized capital gains (losses)	3,099,233	(55,199)	5,673,533	63,673
Net investment income	\$ 14,820,453	\$ 11,729,444	\$ 22,318,168	\$ 15,732,327
Other income (expense)	11,287	14,772	235,387	189,685
Net income (loss)	\$ 16,857,285	\$ 24,344,626	\$ 58,278,298	\$ 50,654,288



ADMINISTRATIVE EXPENSES

	Three months ended			Twelve months
	March 31, 2020	March 31, 2019	2020 Budget	2020 Budget
Salaries	\$ 22,650,104	\$ 22,103,429	\$ 23,042,823	\$ 97,570,910
Employee Benefits	14,408,135	13,288,588	15,233,214	22,450,512
Payroll Taxes	1,711,276	1,658,386	1,808,402	7,030,655
Contingent Staffing	11,661,626	11,283,340	17,755,306	67,144,807
Subscriptions & Dues	169,234	184,225	399,143	1,693,534
Bank Charges	30,799	56,651	29,172	110,341
Depreciation	624,093	732,587	632,308	2,184,160
FMAP Funding	(28,826)	(34,748)	(51,554)	(315,954)
Insurance	162,630	90,871	198,338	876,272
Legal	124,146	481,682	398,350	1,583,000
Operations & Maintenance	340,537	483,944	555,231	2,370,564
Miscellaneous	835	1,747	-	-
Operating Supplies	48,544	52,653	66,749	270,927
Computer Hardware	390,033	415,918	751,555	2,050,228
Postage	22,390	101,522	118,437	463,146
Printing	9,307	7,944	45,131	199,622
Producer Fees Collected	(167,630)	(162,777)	(213,622)	(717,000)
Professional Services	1,408,904	1,114,295	3,032,308	11,949,362
Recruiting	61,674	40,523	145,252	595,795
Rent	1,558,748	1,918,505	1,606,076	6,474,951
Software Maint & Licensing	3,754,237	4,451,506	4,900,821	18,675,510
Telecommunications	569,940	739,299	725,393	2,730,280
Training	114,113	139,238	249,484	1,083,768
Travel & Meals	278,087	296,773	458,751	1,641,726
ULAE Expense Allocation	(24,513,457)	(23,883,575)	(31,905,104)	(114,276,829)
Total Administrative Expense	\$ 35,389,478	\$ 35,562,527	\$ 39,981,964	\$ 133,840,286