



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

	Consolidated					Personal Lines Account				
	Jun 2020	Jun 2019	Budget 2020	YOY Var	Budget Var	Jun 2020	Jun 2019	Budget 2020	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 552,558	\$ 442,832	\$ 449,746	\$ 109,725	\$ 102,812	\$ 356,489	\$ 276,861	\$ 285,386	\$ 79,627	\$ 71,103
Ceded written premium:										
Depopulation	(4,938)	(2,828)	(2,424)	(2,110)	(2,514)	42	(1,505)	(1,010)	1,547	1,052
FHCF	(143,764)	(135,800)	(134,870)	(7,964)	(8,894)	(73,462)	(67,800)	(70,418)	(5,662)	(3,044)
Private reinsurance	(83,989)	(94,639)	(125,000)	10,650	41,011	(24,085)	(18,395)	(25,000)	(5,690)	915
Net earned premium	411,657	378,262	376,911	33,395	34,747	272,166	244,360	255,448	27,806	16,718
Net losses incurred	147,235	168,051	171,037	(20,816)	(23,802)	125,939	109,634	144,811	16,305	(18,873)
Net LAE incurred	92,195	77,437	56,034	14,759	36,161	72,446	70,592	48,835	1,854	23,611
Other underwriting expenses	53,819	45,701	45,280	8,118	8,539	33,603	27,747	27,866	5,856	5,736
Administrative expenses	65,659	65,091	66,920	569	(1,261)	42,098	40,695	43,090	1,403	(992)
Net Investment income	119,645	88,650	76,835	30,994	42,809	41,062	32,523	23,536	8,539	17,525
Net income (loss)	\$ 174,119	\$ 111,811	\$ 114,891	\$ 62,308	\$ 59,228	\$ 40,336	\$ 29,150	\$ 14,673	\$ 11,186	\$ 25,662
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 8,676,628	\$ 8,878,282 (1)		\$ (201,654)		\$ 2,931,944	\$ 2,941,410 (1)		\$ (9,465)	
Net Loss Reserves	384,599	393,658 (1)		(9,059)		269,420	263,051 (1)		6,369	
Net LAE Reserves	286,017	307,917 (1)		(21,900)		224,043	242,435 (1)		(18,392)	
Net unearned premium	354,696	446,487 (1)		(91,791)		274,659	287,841 (1)		(13,182)	
Bonds and interest payable	859,402	1,355,414 (1)		(496,012)		282,217	423,534 (1)		(141,317)	
Surplus	\$ 6,488,752	\$ 6,317,933 (1)		\$ 170,819		\$ 1,786,605	\$ 1,747,896 (1)		\$ 38,709	
Policy Metrics:										
Policies inforce	474,630	420,615	434,093	54,015	40,537	351,332	302,218	319,943	49,114	31,389
Policies serviced	478,530	429,130	440,809	49,400	37,721	352,315	306,411	323,513	45,904	28,802
Cash flows										
Cashflow from operations	\$ 214,730	\$ 28		\$ 214,701		\$ 93,667	\$ (14)		\$ 93,681	
Cashflow from investing	351,421	269		351,152		81,361	206		81,154	
Cashflow from financing	(485,003)	(503)		(484,500)		(137,721)	(139)		(137,583)	
Operating metrics:										
Direct loss ratio	32.6%	62.5%	26.9%	-29.9%	5.8%	43.5%	81.4%	41.3%	-37.9%	2.2%
Direct LAE ratio	20.5%	17.0%	8.8%	3.5%	11.7%	25.1%	29.2%	13.9%	-4.1%	11.2%
Underwriting expense ratio	9.7%	10.3%	10.1%	-0.6%	-0.3%	9.4%	10.0%	9.8%	-0.6%	-0.3%
Administrative expense ratio	11.9%	14.7%	14.9%	-2.8%	-3.0%	11.8%	14.7%	15.1%	-2.9%	-3.3%
Expense ratio	21.6%	25.0%	24.9%	-3.4%	-3.3%	21.2%	24.7%	24.9%	-3.5%	-3.6%

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



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

	Commercial Lines Account					Coastal Account				
	Jun 2020	Jun 2019	Budget 2020	YOY Var	Budget Var	Jun 2020	Jun 2019	Budget 2020	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 7,439	\$ 6,783	\$ 4,976	\$ 656	\$ 2,463	\$ 188,629	\$ 159,188	\$ 159,383	\$ 29,442	\$ 29,246
Ceded written premium:										
Depopulation	-	(7)	(17)	7	17	(4,981)	(1,316)	(1,398)	(3,665)	(3,583)
FHCF	(2,859)	(2,600)	(1,888)	(259)	(971)	(67,442)	(65,400)	(62,563)	(2,042)	(4,879)
Private reinsurance	-	-	-	-	-	(59,904)	(76,245)	(100,000)	16,340	40,096
Net earned premium	5,707	6,361	4,912	(653)	796	133,784	127,541	116,550	6,242	17,233
Net losses incurred	766	4,430	721	(3,664)	46	20,530	53,987	25,505	(33,457)	(4,975)
Net LAE incurred	966	2,350	43	(1,384)	924	18,783	4,495	7,157	14,288	11,627
Other underwriting expenses	965	924	659	41	306	19,251	17,030	16,755	2,221	2,496
Administrative expenses	879	997	680	(119)	198	22,683	23,399	23,150	(716)	(467)
Net Investment income	31,547	23,596	20,461	7,950	11,086	47,037	32,531	32,838	14,505	14,198
Net income (loss)	\$ 33,706	\$ 21,285	\$ 23,301	\$ 12,420	\$ 10,404	\$ 100,078	\$ 61,376	\$ 76,917	\$ 38,702	\$ 23,161
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 1,923,399	\$ 1,909,325 (1)		\$ 14,074		\$ 3,821,284	\$ 4,027,547 (1)		\$ (206,263)	
Net Loss Reserves	37,829	42,815 (1)		(4,986)		77,350	87,792 (1)		(10,442)	
Net LAE Reserves	9,581	10,709 (1)		(1,128)		52,393	54,774 (1)		(2,381)	
Net unearned premium	4,674	5,801 (1)		(1,127)		75,363	152,844 (1)		(77,481)	
Bonds and interest payable	44,574	66,894 (1)		(22,320)		532,610	864,985 (1)		(332,374)	
Surplus	\$ 1,829,634	\$ 1,796,507 (1)		\$ 33,127		\$ 2,872,513	\$ 2,773,530 (1)		\$ 98,983	
Policy Metrics:										
Policies inforce	728	794	599	(66)	129	122,570	117,603	113,551	4,967	9,019
Policies serviced	728	802	610	(74)	118	125,487	121,917	116,686	3,570	8,801
Cash flows										
Cashflow from operations	\$ 21,992	\$ 21		\$ 21,971		\$ 99,070	\$ 21		\$ 99,049	
Cashflow from investing	22,031	31		21,999		248,030	31		247,998	
Cashflow from financing	(21,851)	(182)		(21,669)		(325,431)	(182)		(325,248)	
Operating metrics:										
Direct loss ratio	12.1%	65.2%	10.6%	-53.1%	1.5%	13.2%	30.1%	9.1%	-16.9%	4.1%
Direct LAE ratio	15.6%	34.6%	0.6%	-19.0%	15.0%	12.2%	-4.7%	2.6%	16.8%	9.6%
Underwriting expense ratio	13.0%	13.6%	13.2%	-0.7%	-0.3%	10.2%	10.7%	10.5%	-0.5%	-0.3%
Administrative expense ratio	11.8%	14.7%	13.7%	-2.9%	-1.9%	12.0%	14.7%	14.5%	-2.7%	-2.5%
Expense ratio	24.8%	28.3%	26.9%	-3.5%	-2.1%	22.2%	25.4%	25.0%	-3.2%	-2.8%

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



Consolidated
Six months ended

Personal Lines Account (PLA)
Six months ended

STATEMENT OF OPERATIONS

	Jun YTD 2020	Jun YTD 2019	Jun YTD 2020	Jun YTD 2019
Revenue:				
Direct premiums written	\$ 552,557,633	\$ 442,832,382	\$ 356,488,900	\$ 276,861,468
Change in direct unearned premium	(98,417,003)	(15,817,262)	(65,659,114)	(14,761,723)
Direct earned premium	454,140,630	427,015,120	290,829,786	262,099,745
Ceded premiums written - Depopulation	(4,938,357)	(2,828,028)	42,200	(1,505,217)
Ceded premiums written - FHCF	(143,763,583)	(135,800,000)	(73,462,253)	(67,800,000)
Ceded premiums written - Private reinsurance	(83,989,119)	(94,639,245)	(24,084,968)	(18,394,693)
Change in ceded unearned premium	190,207,668	184,514,301	78,841,215	69,960,049
Ceded earned premium	(42,483,392)	(48,752,972)	(18,663,806)	(17,739,861)
Net earned premium	\$ 411,657,238	\$ 378,262,148	\$ 272,165,980	\$ 244,359,884
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (253,848,515)	\$ (429,562,323)	\$ (173,259,081)	\$ (273,641,710)
Change in direct case loss reserves	47,389,177	47,383,415	30,691,379	23,074,424
Change in direct IBNR loss reserves	59,804,108	121,700,570	17,137,077	39,963,645
Ceded losses incurred	(579,598)	92,427,270	(508,131)	100,969,869
Losses incurred	(147,234,828)	(168,051,068)	(125,938,756)	(109,633,772)
Loss adjustment expenses				
Direct D&CC paid	(54,705,481)	(62,517,258)	(42,114,197)	(46,831,978)
Direct A&O paid	(71,531,379)	(79,024,728)	(51,407,909)	(53,775,855)
Change in direct case LAE reserves	9,091,737	12,962,183	5,381,939	9,018,415
Change in direct IBNR LAE reserves	24,924,730	57,665,767	15,719,698	15,949,165
Ceded LAE incurred	24,961	(6,522,751)	(25,407)	5,048,493
LAE incurred	(92,195,432)	(77,436,787)	(72,445,876)	(70,591,759)
Net losses and LAE incurred	\$ (239,430,260)	\$ (245,487,855)	\$ (198,384,632)	\$ (180,225,531)
Underwriting and Administrative Expenses:				
Producer Commissions	(40,763,705)	(33,079,905)	(25,009,300)	(19,577,701)
Taxes and fees	(7,789,117)	(6,183,798)	(5,202,662)	(4,033,960)
Other underwriting expenses	(5,266,224)	(6,437,501)	(3,390,918)	(4,135,045)
All other administrative expenses	(65,659,489)	(65,090,700)	(42,097,962)	(40,695,097)
Underwriting and administrative expenses	(119,478,535)	(110,791,904)	(75,700,841)	(68,441,802)
Underwriting income (loss)	\$ 52,748,443	\$ 21,982,389	\$ (1,919,493)	\$ (4,307,450)
Net investment income:				
Net interest income (expense)				
Investment income earned	104,029,939	114,489,660	34,626,776	39,460,011
Interest expenses	(20,055,727)	(28,579,687)	(7,193,213)	(9,498,859)
Net interest income (expense)	83,974,212	85,909,973	27,433,563	29,961,152
Realized capital gains (loses)	35,670,435	2,740,197	13,627,949	2,561,544
Net investment income	\$ 119,644,647	\$ 88,650,170	\$ 41,061,512	\$ 32,522,696
Other income (expense)	1,726,356	1,178,690	1,193,542	934,758
Net income (loss)	\$ 174,119,446	\$ 111,811,249	\$ 40,335,561	\$ 29,150,004



Commercial Lines Account (CLA)
Six months ended

Coastal Account
Six months ended

STATEMENT OF OPERATIONS

Revenue:

	Jun YTD 2020	Jun YTD 2019	Jun YTD 2020	Jun YTD 2019
Direct premiums written	\$ 7,439,271	\$ 6,783,054	\$ 188,629,462	\$ 159,187,860
Change in direct unearned premium	(1,255,230)	50,926	(31,502,658)	(1,106,465)
Direct earned premium	6,184,041	6,833,980	157,126,804	158,081,395
Ceded premiums written - Depopulation	-	(6,754)	(4,980,558)	(1,316,058)
Ceded premiums written - FHCF	(2,859,272)	(2,600,000)	(67,442,058)	(65,400,000)
Ceded premiums written - Private reinsurance	-	-	(59,904,151)	(76,244,552)
Change in ceded unearned premium	2,382,727	2,133,546	108,983,726	112,420,706
Ceded earned premium	(476,545)	(473,208)	(23,343,040)	(30,539,903)
Net earned premium	\$ 5,707,495	\$ 6,360,772	\$ 133,783,763	\$ 127,541,492

Losses and Loss Adjustment Expenses:

Losses

Direct losses paid	\$ (5,752,093)	\$ (15,170,693)	\$ (74,837,341)	\$ (140,749,919)
Change in direct case loss reserves	743,494	14,467,516	15,954,303	9,841,476
Change in direct IBNR loss reserves	4,262,198	(3,727,121)	38,404,833	85,464,046
Ceded losses incurred	(20,096)	-	(51,370)	(8,542,600)
Losses incurred	(766,497)	(4,430,299)	(20,529,575)	(53,986,997)
Loss adjustment expenses				
Direct D&CC paid	(878,219)	(448,344)	(11,713,065)	(15,236,936)
Direct A&O paid	(1,215,511)	(2,914,498)	(18,907,959)	(22,334,375)
Change in direct case LAE reserves	507,646	901,820	3,202,152	3,041,949
Change in direct IBNR LAE reserves	620,964	111,379	8,584,068	41,605,223
Ceded LAE incurred	(1,005)	-	51,372	(11,571,244)
LAE incurred	(966,124)	(2,349,643)	(18,783,432)	(4,495,385)
Net losses and LAE incurred	\$ (1,732,621)	\$ (6,779,942)	\$ (39,313,007)	\$ (58,482,381)

Underwriting and Administrative Expenses:

Producer Commissions	(800,746)	(737,549)	(14,953,660)	(12,764,655)
Taxes and fees	(110,417)	(98,119)	(2,476,037)	(2,051,720)
Other underwriting expenses	(53,543)	(88,427)	(1,821,764)	(2,214,028)
All other administrative expenses	(878,507)	(997,022)	(22,683,020)	(23,398,581)
Underwriting and administrative expenses	(1,843,213)	(1,921,118)	(41,934,481)	(40,428,984)

Underwriting income (loss)

	\$ 2,131,661	\$ (2,340,288)	52,536,275	28,630,126
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Net investment income:

Net interest income (expense)

Investment income earned	24,091,521	25,306,068	45,311,642	49,723,581
Interest expenses	(1,136,121)	(1,500,281)	(11,726,392)	(17,580,547)
Net interest income (expense)	22,955,400	23,805,787	33,585,249	32,143,034

Realized capital gains (losses)

	8,591,227	(209,560)	13,451,258	388,213
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Net investment income

	\$ 31,546,627	\$ 23,596,227	\$ 47,036,507	\$ 32,531,247
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Other income (expense)

	27,437	29,546	505,377	214,386
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Net income (loss)

	\$ 33,705,726	\$ 21,285,485	\$ 100,078,160	\$ 61,375,759
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ADMINISTRATIVE EXPENSES

	Six months ended			Twelve months
	Jun YTD 2020	Jun YTD 2019	2020 Budget	2020 Budget
Salaries	\$ 46,284,646	\$ 45,083,386	\$ 47,297,642	\$ 97,570,910
Employee Benefits	18,446,888	15,730,139	18,281,315	22,450,512
Payroll Taxes	3,430,268	3,334,506	3,593,581	7,030,655
Contingent Staffing	27,887,497	27,224,466	35,057,279	67,144,807
Subscriptions & Dues	556,120	402,129	891,887	1,693,534
Bank Charges	53,728	105,680	56,367	110,341
Depreciation	1,221,501	1,492,592	1,242,223	2,184,160
FMAP Funding	(89,529)	(79,049)	(105,010)	(315,954)
Insurance	598,700	240,610	377,676	876,272
Legal	465,109	635,328	791,500	1,583,000
Operations & Maintenance	1,027,260	1,070,471	1,174,624	2,370,564
Miscellaneous	5,184	(3,704)	-	-
Operating Supplies	87,476	114,942	137,700	270,927
Computer Hardware	764,965	820,144	1,121,077	2,050,228
Postage	88,392	136,959	243,906	463,146
Printing	19,747	25,312	105,970	199,622
Producer Fees Collected	(217,585)	(262,262)	(361,502)	(717,000)
Professional Services	4,017,656	3,335,949	6,618,207	11,949,362
Recruiting	188,263	191,516	341,504	595,795
Rent	3,207,834	3,599,441	3,241,151	6,474,951
Software Maint & Licensing	7,812,828	8,834,013	9,593,913	18,675,510
Telecommunications	1,203,886	1,542,516	1,407,490	2,730,280
Training	157,156	444,192	583,380	1,083,768
Travel & Meals	297,533	661,388	940,304	1,641,726
ULAE Expense Allocation	(51,856,034)	(49,589,964)	(60,207,973)	(114,276,829)
Total Administrative Expense	\$ 65,659,489	\$ 65,090,700	\$ 72,424,210	\$ 133,840,286