

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

	Consolidated Account						
	Sep 2020	Sep 2019	Budget 2020	YOY Var	Budget Var		
Operations:							
Direct written premium	\$ 880,977	\$ 662,109	\$ 663,261	\$ 218,868	\$ 217,716		
Ceded written premium:							
Depopulation	(4,849)	(6,710)	(3,012)	1,861	(1,836)		
FHCF	(143,764)	(135,800)	(134,870)	(7,964)	(8,894)		
Private reinsurance	(83,989)	(94,639)	(125,000)	10,650	41,011		
Net earned premium	556,651	474,257	462,266	82,394	94,385		
Net losses incurred	262,291	237,396	257,347	24,895	4,943		
Net LAE incurred	158,043	122,929	84,323	35,113	73,720		
Other underwriting expenses	85,602	67,708	66,927	17,894	18,675		
Administrative expenses	93,674	93,441	100,380	233	(6,706)		
Net Investment income	177,597	127,572	117,021	50,025	60,576		
Net income (loss)	\$ 137,298	\$ 82,239	\$ 70,921	\$ 55,059	\$ 66,377		
Assets, Liabilities and Surplus:				_			
Cash and invested assets	\$ 8,788,213	\$ 8,878,282	(1)	\$ (90,069)			
Net Loss Reserves	417,513	393,658	(1)	23,855			
Net LAE Reserves	292,956	307,917	(1)	(14,962)			
Net unearned premium	538,211	446,487	(1)	91,724			
Bonds and interest payable	866,483	1,355,414	(1)	(488,931)			
Surplus	\$ 6,444,731	\$ 6,317,933	(1)	\$ 126,798			
Policy Metrics:							
Policies inforce	511,055	421,332	438,199	89,723	72,856		
Policies serviced	513,450	428,767	441,367	84,683	72,083		
Cash flows				_			
Cashflow from operations	\$ 323,956	\$ (25,862)		\$ 349,818			
Cashflow from investing	126,295	337,573		(211,278)			
Cashflow from financing	(485,100)	(330,496)		(154,604)			
Operating metrics:							
Direct loss ratio	36.9%	52.5%	35.6%	-15.6%	1.3%		
Direct LAE ratio	22.3%	18.5%	11.7%	3.8%	10.6%		
Underwriting expense ratio	9.7%	10.2%	10.1%	-0.5%	-0.4%		
Administrative expense ratio	10.6%	14.1%	15.1%	-3.5%	-4.5%		
Expense ratio	20.3%	24.3%	25.2%	-4.0%	-4.9%		

Personal Lines Account						
Sep 2020	Sep 2019	Budget 2020	YOY Var	Budget Var		
\$ 573,054	\$ 413,846	\$ 419,507	\$ 159,208	\$ 153,547		
48	3 (4,512)	(1,063)	4,560	1,111		
(73,462	(67,800)	(70,418)	(5,662)	(3,044)		
(24,085	(18,395)	(25,000)	(5,690)	915		
392,905	333,613	346,881	59,292	46,024		
203,233	167,411	217,951	35,822	(14,718)		
118,775	107,903	73,500	10,872	45,275		
53,983	3 41,144	41,080	12,839	12,903		
60,626	58,405	64,635	2,221	(4,009)		
60,220	48,475	35,701	11,745	24,518		
\$ 18,322	\$ 8,578	\$ (14,155)	\$ 9,744	\$ 32,477		
\$ 2,997,903	3 \$ 2,941,410	(1)	\$ 56,493			
283,356	263,051	(1)	20,305			
225,189	242,435	(1)	(17,246)			
370,492	287,841	(1)	82,650			
284,817	423,534	(1)	(138,718)			
\$ 1,759,793	3 \$ 1,747,896	(1)	\$ 11,897			
380,257	302,864	323,086	77,393	57,171		
380,405	307,558	324,731	72,847	55,674		
\$ 158,067	7 \$ (70,804)		\$ 228,871			
31,338	3 242,825		(211,487)			
(137,605			(3,115)			
44.3%	68.5%	49.3%	-24.2%	-5.0%		
25.9%		16.6%	-2.9%	9.3%		
9.4%		9.8%	-0.5%	-0.4%		
10.6%		15.4%	-3.5%	-4.8%		
20.0%		25.2%	-4.1%	-5.2%		

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



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

	Commercial Lines Account					
	Sep 20	20	Sep 2019	Budget 2020	YOY Var	Budget Var
Operations:						
Direct written premium	\$ 10,3	355	\$ 9,169	\$ 6,842	\$ 1,186	\$ 3,513
Ceded written premium:						
Depopulation		-	(7)	(77)	7	77
FHCF	(2,8	59)	(2,600)	(1,888)	(259)	(971)
Private reinsurance		-	-	-	-	-
Net earned premium	7,5	34	8,168	6,336	(635)	1,197
Net losses incurred	2,2	254	4,246	1,045	(1,993)	1,208
Net LAE incurred	1,4	144	2,010	62	(566)	1,382
Other underwriting expenses	1,3	351	1,247	913	104	437
Administrative expenses	1,0	99	1,294	1,021	(195)	79
Net Investment income	47,9	96	36,240	30,842	11,756	17,154
Net income (loss)	\$ 49,4	27	\$ 35,656	\$ 34,180	\$ 13,771	\$ 15,247
Assets, Liabilities and Surplus:						
Cash and invested assets	\$ 1,950,4	190 \$	1,909,325	(1)	\$ 41,164	
Net Loss Reserves	37,6	31	42,815	(1)	(5,184)	
Net LAE Reserves	9,3	863	10,709	(1)	(1,346)	
Net unearned premium	5,7	63	5,801	(1)	(38)	
Bonds and interest payable	44,9	985	66,894	(1)	(21,910)	
Surplus	\$ 1,845,2	96 \$	1,796,507	(1)	\$ 48,789	
Policy Metrics:						
Policies inforce	7	'24	767	555	(43)	169
Policies serviced	7	' 24	771	573	(47)	151
Cash flows						
Cashflow from operations	\$ 34,7	7 66	\$ 24,188		\$ 10,578	
Cashflow from investing	(48,2	26)	(2,322)		(45,904)	
Cashflow from financing	(21,8	79)	(21,797)		(82)	
Operating metrics:						
Direct loss ratio	23.	7%	42.9%	12.7%	-19.2%	11.0%
Direct LAE ratio	15.	3%	20.3%	0.7%	-5.0%	14.5%
Underwriting expense ratio	13.	0%	13.6%	13.3%	-0.6%	-0.3%
Administrative expense ratio	10.	6%	14.1%	14.9%	-3.5%	-4.3%
Expense ratio	23.	7%	27.7%	28.3%	-4.1%	-4.6%

Coastal Account										
	Sep 2020 Sep 2		Sep 2019		Budget 2020		,	YOY Var	Bud	lget Var
\$	297,568	\$	239,094		\$	236,912	\$	58,473	\$	60,656
	(4,897)		(2,191)			(1,872)		(2,706)		(3,025)
	(67,442)		(65,400)			(62,563)		(2,042)		(4,879)
	(59,904)		(76,245)		(1	100,000)		16,340		40,096
	156,213		132,475			109,048		23,737		47,164
	56,804		65,739			38,351		(8,935)		18,453
	37,824		13,016			10,761		24,808		27,063
	30,268		25,317			24,934		4,952		5,334
	31,949		33,743			34,725		(1,793)		(2,776)
	69,382		42,857			50,478		26,525		18,904
\$	69,548	9	38,005		\$	50,896	\$	31,544	\$	18,652
\$ 3	3,839,820	\$	4,027,547	(1)			\$ (187,727)		
	96,526		87,792	(1)				8,734		
	58,404		54,774	(1)				3,630		
	161,956		152,844	(1)				9,112		
	536,681		864,985	(1)			(328,303)		
\$ 2	2,839,642	\$	2,773,530	(1)			\$	66,112		
	130,074		117,701			114,558		12,373		15,516
	132,321		120,438			116,063		11,883		16,258
\$	131,123	9	20,754				\$	110,369		
	143,183		97,070					46,113		
	(325,617)		(174,209)				(151,408)		
	23.5%		25.4%			14.1%		-1.9%		9.4%
	15.7%		0.4%			4.0%		15.3%		11.7%
	10.2%		10.6%			10.5%		-0.4%		-0.4%
	10.7%		14.1%			14.7%		-3.4%		-3.9%
	20.9%		24.7%			25.2%		-3.8%		-4.3%

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



None morties Sep 2001 Sep 2019 Sep		Consolida	ated	Personal Lines Ad	Personal Lines Account (PLA)		
Prevenue:		Nine months	ended	Nine months	Nine months ended		
Direct premiums withen \$80,976,740 \$662,109,212 \$570,564.431 \$143,486,104 Change in direct uneamptermium (163,848,332) (20,550,1006) (112,425,446) (17,781,860) Direct earned premium 715,128,408 641,590,226 460,828,865 395,854,244 Cuded premiums withen - Depopulation (4,848,861) (8,706,525) 48,206 (4,511,980) Cuded premiums withen - PHCF (14,3783,858) (135,800,000) (73,462,263) (67,600,000) Cuded premium withen - PHCF (14,3783,858) (135,800,000) (73,462,263) (67,600,000) Cuded premium (14,242,11 68,846,616 29,774,950 28,465,903 Change in ceded uneamed premium (168,477,282) (167,302,164) (67,724,025) (22,240,789) Cuded cerned premium (168,477,282) (167,302,164) (67,724,025) (22,240,789) Cuded cerned premium (566,651,126 3474257,072 392,004,900 333,013,468 Cuded cerned premium (566,651,126 3474257,072 392,004,900 330,828,833,813,468 Cuded cerned premium (566,651,126 3474257,072 392,004,900 33,013,468 Cuded cerned premium (566,651,126 3474257,072 392,004,900 33,013,468 Cuded cerned premium (566,651,126 3474257,072 392,004,900 33,013,468 Cuded cerned premium (567,019) (588,004,549) (249,705,389) (249,705,389) (383,576,278) Cuded cerned premium (567,019) (592,006,529) (200,006,529) (249,012) (200,006,529) (200,006,530) (200,	STATEMENT OF OPERATIONS	Sep 2020	Sep 2019	Sep 2020	Sep 2019		
Change in direct unamed premium	Revenue:						
Direct earned premium	Direct premiums written	\$ 880,976,740	\$ 662,109,232	\$ 573,054,431	\$ 413,846,104		
Ceded premiums written - Depopulation	Change in direct unearned premium	(165,848,332)	(20,550,006)	(112,425,446)	(17,991,860)		
Cacked premiums written - FHCF	Direct earned premium	715,128,408	641,559,226	460,628,985	395,854,244		
Ceded premiums winten - Private reinsurance (8,599,119) (94,630,245) (24,084,968) (18,394,630) Change in ceded uneamed premium (150,472,282) (167,304,615) 29,774,960 29,465,903 Net earned premium \$ 556,651,126 \$ 474,257,072 \$ 392,904,960 \$ 333,613,488 Losse and Loss Adjustment Expenses: Image: Control of the Control of Section 1, 100,000 \$ (249,705,368) \$ 333,613,488 Losses of Losses paid \$ (357,929,080) \$ (598,805,459) \$ (249,705,368) \$ (383,576,276) Change in direct Case loss reserves \$ (379,929,080) \$ (598,805,459) \$ (249,705,368) \$ 352,90,751 Change in direct Case loss reserves \$ (379,929,080) \$ (598,805,459) \$ (249,705,368) \$ 352,90,751 Change in direct Case loss reserves \$ (379,929,080) \$ (38,807,427) \$ (39,807,627) \$ (303,337,602,268) \$ (32,907,508) \$ (383,576,276) \$ (303,337,602,268) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508) \$ (32,907,508)	Ceded premiums written - Depopulation	(4,848,851)	(6,709,525)	48,206	(4,511,996)		
Change in ceded uneamed premium 74,124,271 69,846,616 29,774,989 28,465,903 Ceded earned premium (158,477,282) (167,302,154) (67,724,025) (62,240,786) Net earned premium \$56,651,126 \$474,257,072 \$392,904,960 \$33,613,458 Losses and Loss Adjustment Expenses: ***********************************	Ceded premiums written - FHCF	(143,763,583)	(135,800,000)	(73,462,253)	(67,800,000)		
Coded earned premium (158,477,282) (167,202,154) (67,724,025) (62,240,786) Net earned premium \$ 566,651,126 \$ 474,257,072 \$ 392,904,900 \$ 333,613,458 Losses and Loss Adjustment Expenses: ***********************************	Ceded premiums written - Private reinsurance	(83,989,119)	(94,639,245)	(24,084,968)	(18,394,693)		
Net earned premium	Change in ceded unearned premium	74,124,271	69,846,61 <u>6</u>	29,774,990	28,465,903		
Direct Losses paid \$ (357,929,080) \$ (598,805,459) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (383,576,276) \$ (249,705,368) \$ (249,	Ceded earned premium	(158,477,282)	(167,302,154)	(67,724,025)	(62,240,786)		
Direct losses paid \$ (357,929,080) \$ (588,805,459) \$ (249,705,368) \$ (383,576,276)	Net earned premium	\$ 556,651,126	\$ 474,257,072	\$ 392,904,960	\$ 333,613,458		
Direct losses paid \$ (357,929,080) \$ (598,805,459) \$ (249,705,368) \$ (383,576,276) Change in direct case loss reserves 50,719,627 72,359,180 37,062,288 35,290,7681 Change in direct loRN loss reserves 45,494,968 169,681,562 9,853,625 80,476,861 Coded losses incurred (262,290,588) (267,303) 92,389,052 (443,612) (100,387,980 Chasses incurred (262,290,588) (237,395,666) (203,233,167) (167,410,704) Chasse dijustment expenses	Losses and Loss Adjustment Expenses:						
Change in direct case loss reserves 50,719,627 72,359,180 37,062,288 35,290,751 Change in direct IBNR loss reserves 45,494,668 196,681,562 9,655,525 80,476,861 Ceded losses incurred (262,290,588) (237,395,666) (203,233,167) (167,410,704) Loss adjustment expenses Uned D&CC paid (79,550,219) (90,625,013) (61,494,964) (68,008,160) Direct A&O paid (108,247,816) (118,464,856) (77,864,924) (83,547,019) Change in direct BNR LAE reserves 6,857,427 19,462,669 3,319,925 12,847,105 Change in direct BNR LAE reserves 22,934,090 73,762,887 17,287,227 25,765,217 Ceded LAE incurred (36,267) (7,065,038) (22,181) 5,019,888 LAE incurred (158,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE incurred (42,586,229) (49,324,147) (40,068,108) (29,217,480) Underwriting and Administrative Expenses: (19,293,500) (118,774,916) (107,902,959) (40,068,108) <th< td=""><td>Losses</td><td></td><td></td><td></td><td></td></th<>	Losses						
Change in direct IBNR loss reserves 45,494,968 196,681,562 9,853,525 80,476,861 Ceded losses incurred (267,0103) 92,369,052 (443,612) 100,397,960 Loss adjustment expenses (262,290,588) (237,395,666) (203,233,167) (167,410,704) Direct DACC paid (79,550,219) (90,625,013) (61,494,964) (68,008,160) Direct ASC paid (108,247,816) (118,464,856) (77,864,924) (83,547,019) Change in direct case LAE reserves 6,857,427 19,462,669 3,319,955 12,847,05 Change in direct IBNR LAE reserves 22,934,090 73,762,887 17,287,227 25,785,217 Ceded LAE incurred (186,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE Incurred (186,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE Incurred (84,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046	Direct losses paid	\$ (357,929,080)	\$ (598,805,459)	\$ (249,705,368)	\$ (383,576,276)		
Ceded losses incurred (576,103) 92,369,052 (443,612) 100,397,960 Losses incurred (262,290,588) (37,395,666) (203,233,167) (167,410,704) Loss allystment expenses Univertical Direct D&CC paid (79,550,219) (90,625,013) (61,494,964) (68,008,160) Direct D&CC paid (79,550,219) (90,625,013) (61,494,964) (68,008,160) Change in direct case LAE reserves 6,887,427 19,462,669 3,319,925 12,847,019 Change in direct IBNR LAE reserves 22,934,090 73,762,887 17,287,227 25,765,217 Ceded LAE incurred (186,42,785) (122,993,500) (118,774,916) (107,902,959) Net losses and LAE incurred \$ (420,333,373) \$ (360,325,016) \$ (322,008,083) \$ (27,513,663) Underwriting and Administrative Expenses: (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (9,3874,154) (93,441,139) (60,625,624) (58,404,784)	Change in direct case loss reserves	50,719,627	72,359,180	37,062,288	35,290,751		
Losse incurred (262,290,588) (237,395,666) (203,233,167) (167,410,704) Loss adjustment expenses (79,550,219) (90,625,013) (61,494,964) (68,008,160) Direct ASC paid (108,247,816) (118,464,856) (77,684,924) (83,547,019) Change in direct case LAE reserves 6,857,427 19,462,669 3,319,925 12,847,105 Change in direct IBNR LAE reserves 22,934,090 73,762,887 17,287,227 25,785,217 Ceded LAE incurred (36,267) (7,065,038) (22,181) 5,019,988 LAE incurred (158,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE incurred (40,333,373) \$ (360,325,016) \$ (32,008,083) \$ (275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,025,624) Under	Change in direct IBNR loss reserves	45,494,968	196,681,562	9,853,525	80,476,861		
Direct D&CC paid (79,550,219) (90,625,013) (61,494,964) (68,008,160) (61,008,160)	Ceded losses incurred	(576,103)	92,369,052	(443,612)	100,397,960		
Direct D&CC paid (79,550,219) (90,625,013) (61,494,964) (68,008,160) Direct A&O paid (108,247,816) (118,464,866) (77,864,924) (83,547,019) Change in direct case LAE reserves 6,857,427 19,462,669 3,319,925 12,847,105 Change in direct IBNR LAE reserves 22,934,909 73,762,887 17,287,227 25,785,217 Ceded LAE incurred (158,042,785) (122,929,350) (118,774,916) (07,905,959) Net losses and LAE incurred (420,333,373) (360,325,016) 3(322,008,083) \$(275,313,663) Underwriting and Administrative Expenses: (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (93,674,154) (93,09,902) (5,300,491) (6,301,263) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwr	Losses incurred	(262,290,588)	(237,395,666)	(203,233,167)	(167,410,704)		
Direct A&O paid (108,247,816) (118,464,856) (77,864,924) (83,547,019) Change in direct case LAE reserves 6,857,427 19,462,669 3,319,925 12,847,105 Change in direct IBNR LAE reserves 22,934,090 73,762,887 17,287,227 25,785,217 Ceded LAE incurred (158,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE incurred (420,333,373) (360,325,016) (322,008,083) (22,181) (107,902,959) Net losses and LAE incurred (420,333,373) (360,325,016) (322,008,083) (275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) (40,068,108)	Loss adjustment expenses						
Change in direct case LAE reserves 6,857,427 19,462,669 3,319,925 12,847,105 Change in direct IBNR LAE reserves 22,934,090 73,762,887 17,287,227 25,785,217 Ceded LAE incurred (15,60,42,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE incurred \$ (420,333,373) \$ (360,325,016) \$ (322,008,083) \$ (275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (56,404,764) Underwriting income (loss) \$ (42,958,243) \$ (47,216,902) \$ (43,711,720) \$ (41,249,166) Net investment income 151,988,014 170,437,502 \$ (5,584,781) 58,201,659 Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322	Direct D&CC paid	(79,550,219)	(90,625,013)	(61,494,964)	(68,008,160)		
Change in direct IBNR LAE reserves 22,934,090 73,762,887 17,287,227 25,785,217 Ceded LAE incurred (36,267) (7,065,038) (22,181) 5,019,898 LAE incurred (158,042,785) (122,923,50) (118,774,916) (107,902,959) Net losses and LAE incurred (420,333,373) (360,325,016) \$322,008,083) \$(275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (83,257,4154) (93,441,369) (60,625,624) (58,040,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (loss) \$42,958,243 \$(47,216,902) \$(43,711,720) \$(41,249,166) Net interest income (expense) [27,136,972] (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) [24,851,042] 130,318,676 40,791,873 44,879,500 <td>Direct A&O paid</td> <td>(108,247,816)</td> <td>(118,464,856)</td> <td>(77,864,924)</td> <td>(83,547,019)</td>	Direct A&O paid	(108,247,816)	(118,464,856)	(77,864,924)	(83,547,019)		
Ceded LAE incurred (36,267) (7,065,038) (22,181) 5,019,898 LAE incurred (158,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE incurred (420,333,373) (360,325,016) (322,008,083) \$ (275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (83,3674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (loss) (42,958,243) (47,216,902) (43,711,720) (41,249,166) Net investment income (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,15	Change in direct case LAE reserves	6,857,427	19,462,669	3,319,925	12,847,105		
LAE incurred (158,042,785) (122,929,350) (118,774,916) (107,902,959) Net losses and LAE incurred \$ (420,333,373) \$ (360,325,016) \$ (322,008,083) \$ (275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting income (loss) (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (expense) (42,958,243) (47,216,902) (43,711,720) (41,249,166) Net interest income (expense) (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,472,663 <td>Change in direct IBNR LAE reserves</td> <td>22,934,090</td> <td>73,762,887</td> <td>17,287,227</td> <td>25,785,217</td>	Change in direct IBNR LAE reserves	22,934,090	73,762,887	17,287,227	25,785,217		
Net losses and LAE incurred \$ (420,333,373) \$ (360,325,016) \$ (322,008,083) \$ (275,313,663) Underwriting and Administrative Expenses: Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,302,63) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (loss) \$ (42,958,243) \$ (47,216,902) \$ (43,711,720) \$ (41,249,166) Net investment income \$ (42,958,243) \$ (47,216,902) \$ (43,711,720) \$ (41,249,166) Net interest income (expense) \$ (27,136,972) \$ (40,118,826) \$ (9,792,908) \$ (13,322,159) Net interest income (expense) \$ (27,45,874) \$ (2,746,936) \$ (40,791,873) \$ 44,879,500 Realized capital gains (loses) \$ (2,745,874)	Ceded LAE incurred	(36,267)	(7,065,038)	(22,181)	5,019,898		
Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,48,961) Underwriting income (loss) (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (expense) (179,275,996) (179,275,996) (181,48,958) (17	LAE incurred	(158,042,785)	(122,929,350)	(118,774,916)	(107,902,959)		
Producer Commissions (64,586,229) (49,324,147) (40,068,108) (29,217,480) Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (loss) (42,958,243) (47,216,902) (43,711,720) (41,249,166) Net investment income (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$177,596,915 \$127,571,740 \$60,219,536 \$48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Net losses and LAE incurred	\$ (420,333,373)	\$ (360,325,016)	\$ (322,008,083)	\$ (275,313,663)		
Taxes and fees (12,690,566) (8,573,541) (8,554,372) (5,625,434) Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (loss) (42,958,243) (47,216,902) (43,711,720) (41,249,166) Net investment income: Net interest income (expense) (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) (124,851,042) (130,318,676) (19,792,908) (19,792,908) Realized capital gains (loses) (52,745,874) (2,746,936) (19,427,663) (19,427,	Underwriting and Administrative Expenses:						
Other underwriting expenses (8,325,046) (9,809,902) (5,360,491) (6,301,263) All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) Underwriting and administrative expenses (179,275,996) (161,148,958) (114,608,596) (99,548,961) Underwriting income (loss) \$ (42,958,243) \$ (47,216,902) \$ (43,711,720) \$ (41,249,166) Net investment income: Net interest income (expense) Investment income earned 151,988,014 170,437,502 50,584,781 58,201,659 Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$ 177,596,915 \$ 127,571,740 \$ 60,219,536 \$ 48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Producer Commissions	(64,586,229)	(49,324,147)	(40,068,108)	(29,217,480)		
All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) (179,275,996) (161,148,958) (114,608,596) (99,548,961) (199,548,961) (Taxes and fees	(12,690,566)	(8,573,541)	(8,554,372)	(5,625,434)		
All other administrative expenses (93,674,154) (93,441,369) (60,625,624) (58,404,784) (179,275,996) (161,148,958) (114,608,596) (99,548,961) (199,548,961) (Other underwriting expenses	(8,325,046)	(9,809,902)	(5,360,491)	(6,301,263)		
Underwriting income (loss) \$ (42,958,243) \$ (47,216,902) \$ (43,711,720) \$ (41,249,166) Net investment income: Net interest income (expense) 151,988,014 170,437,502 50,584,781 58,201,659 Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$ 177,596,915 \$ 127,571,740 60,219,536 48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585		(93,674,154)	(93,441,369)	(60,625,624)	(58,404,784)		
Net investment income: Net interest income (expense) Investment income earned 151,988,014 170,437,502 50,584,781 58,201,659 Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$177,596,915 \$127,571,740 \$60,219,536 \$48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Underwriting and administrative expenses	(179,275,996)	(161,148,958)	(114,608,596)	(99,548,961)		
Net interest income (expense) 151,988,014 170,437,502 50,584,781 58,201,659 Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$177,596,915 \$127,571,740 \$60,219,536 \$48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Underwriting income (loss)	\$ (42,958,243)	\$ (47,216,902)	\$ (43,711,720)	\$ (41,249,166)		
Investment income earned 151,988,014 170,437,502 50,584,781 58,201,659 Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$177,596,915 \$127,571,740 \$60,219,536 \$48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Net investment income:						
Interest expenses (27,136,972) (40,118,826) (9,792,908) (13,322,159) Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$177,596,915 \$127,571,740 \$60,219,536 \$48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Net interest income (expense)						
Net interest income (expense) 124,851,042 130,318,676 40,791,873 44,879,500 Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$ 177,596,915 \$ 127,571,740 \$ 60,219,536 \$ 48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Investment income earned	151,988,014	170,437,502	50,584,781	58,201,659		
Realized capital gains (loses) 52,745,874 (2,746,936) 19,427,663 3,595,437 Net investment income \$ 177,596,915 \$ 127,571,740 \$ 60,219,536 \$ 48,474,937 Other income (expense) 2,659,115 0,884,139 1,814,631 1,352,585	Interest expenses	(27,136,972)	(40,118,826)	(9,792,908)	(13,322,159)		
Net investment income \$ 177,596,915 \$ 127,571,740 \$ 60,219,536 \$ 48,474,937 Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Net interest income (expense)	124,851,042	130,318,676	40,791,873	44,879,500		
Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Realized capital gains (loses)	52,745,874	(2,746,936)	19,427,663	3,595,437		
Other income (expense) 2,659,115 1,884,139 1,814,631 1,352,585	Net investment income	\$ 177,596,915	\$ 127,571,740	\$ 60,219,536	\$ 48,474,937		
Net income (loss) \$ 137,297,788 \$ 82,238,977 \$ 18,322,448 \$ 8,578,355	Other income (expense)	2,659,115	1,884,139	1,814,631	1,352,585		
	Net income (loss)	\$ 137,297,788	\$ 82,238,977	\$ 18,322,448	\$ 8,578,355		



Commercial Lines Account (CLA)		Coastal Account
Nine months ended		Nine months ended
p 2020	Sep 2019	Sep 2020

STATEMENT OF OPERATIONS	Sep 2020	Sep 2019	Sep 2020	Sep 2019
Revenue:				
Direct premiums written	\$ 10,354,565	\$ 9,168,796	\$ 297,567,744	\$ 239,094,332
Change in direct unearned premium	(914,808)	778,673	(52,508,079)	(3,336,819)
Direct earned premium	9,439,757	9,947,469	245,059,665	235,757,513
Ceded premiums written - Depopulation	-	(6,754)	(4,897,057)	(2,190,775)
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	953,091	827,627	43,396,191	40,553,086
Ceded earned premium	(1,906,181)	(1,779,126)	(88,847,075)	(103,282,241)
Net earned premium	\$ 7,533,576	\$ 8,168,343	\$ 156,212,590	\$ 132,475,272
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (7,437,592)	\$ (18,917,676)	\$ (100,786,119)	\$ (196,311,507)
Change in direct case loss reserves	301,344	16,081,696	13,355,995	20,986,733
Change in direct IBNR loss reserves	4,900,226	(1,410,185)	30,741,217	117,614,885
Ceded losses incurred	(17,545)	<u> </u>	(114,946)	(8,028,908)
Losses incurred	(2,253,567)	(4,246,165)	(56,803,854)	(65,738,797)
Loss adjustment expenses				
Direct D&CC paid	(1,143,997)	(575,158)	(16,911,259)	(22,041,696)
Direct A&O paid	(1,645,276)	(3,499,827)	(28,737,616)	(31,418,011)
Change in direct case LAE reserves	939,397	1,444,705	2,598,105	5,170,859
Change in direct IBNR LAE reserves	407,200	620,266	5,239,663	47,357,404
Ceded LAE incurred	(877)	<u> </u>	(13,209)	(12,084,935)
LAE incurred	(1,443,552)	(2,010,013)	(37,824,317)	(13,016,378)
Net losses and LAE incurred	\$ (3,697,119)	\$ (6,256,178)	\$ (94,628,171)	\$ (78,755,175)
Underwriting and Administrative Expenses:				
Producer Commissions	(1,116,648)	(996,837)	(23,401,473)	(19,109,829)
Taxes and fees	(149,342)	(115,243)	(3,986,852)	(2,832,864)
Other underwriting expenses	(84,642)	(134,752)	(2,879,913)	(3,373,887)
All other administrative expenses	(1,099,328)	(1,293,963)	(31,949,202)	(33,742,622)
Underwriting and administrative expenses	(2,449,960)	(2,540,795)	(62,217,439)	(59,059,202)
Underwriting income (loss)	\$ 1,386,497	\$ (628,630)	(633,020)	(5,339,106)
Net investment income:				
Net interest income (expense)				
Investment income earned	35,335,008	38,007,854	66,068,224	74,227,989
Interest expenses	(1,546,726)	(2,104,148)	(15,797,337)	(24,692,519)
Net interest income (expense)	33,788,282	35,903,706	50,270,887	49,535,470
Realized capital gains (loses)	14,207,311	335,920	19,110,900	(6,678,293)
Net investment income	\$ 47,995,593	\$ 36,239,626	\$ 69,381,786	\$ 42,857,177
Other income (expense)	44,773	45,069	799,710	486,485
Net income (loss)	\$ 49,426,863	\$ 35,656,065	\$ 69,548,476	\$ 38,004,557



ADMINISTRATIVE EXPENSES

		Twelve months		
	Sep 2020	Sep 2019	2020 Budget	2020 Budget
Salaries	\$ 70,282,622	\$ 68,321,945	\$ 71,976,382	\$ 97,570,910
Employee Benefits	20,521,589	17,199,272	20,778,196	22,450,512
Payroll Taxes	5,120,761	4,971,068	5,347,150	7,030,655
Contingent Staffing	42,858,029	44,945,914	51,723,949	67,144,807
Subscriptions & Dues	840,495	553,942	1,313,028	1,693,534
Bank Charges	75,600	149,587	83,454	110,341
Depreciation	1,709,342	2,151,631	1,747,573	2,184,160
FMAP Funding	(138,168)	(109,828)	(208,814)	(315,954)
Insurance	700,210	380,303	557,014	876,272
Legal	662,774	1,076,853	1,190,650	1,583,000
Operations & Maintenance	1,289,575	1,658,577	1,772,369	2,370,564
Miscellaneous	5,263	(7,049)	-	-
Operating Supplies	131,366	167,549	204,207	270,927
Computer Hardware	1,294,644	1,326,219	1,621,986	2,050,228
Postage	155,969	217,530	369,324	463,146
Printing	43,139	31,775	152,129	199,622
Producer Fees Collected	(279,760)	(375,502)	(517,817)	(717,000)
Professional Services	5,855,953	4,807,939	9,524,555	11,949,362
Recruiting	296,283	298,587	439,756	595,795
Rent	4,784,707	5,545,758	4,845,326	6,474,951
Software Maint & Licensing	11,445,467	13,458,468	14,065,901	18,675,510
Telecommunications	2,145,005	2,185,188	2,083,187	2,730,280
Training	300,456	589,452	833,162	1,083,768
Travel & Meals	344,726	1,020,810	1,427,295	1,641,726
ULAE Expense Allocation	(76,771,892)	(77,124,620)	(87,892,182)	(114,276,829)
Total Administrative Expense	\$ 93,674,154	\$ 93,441,369	\$ 103,437,781	\$ 133,840,286