



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

	Consolidated					Personal Lines Account				
	Dec 2020	Dec 2019	Budget 2020	YOY Var	Budget Var	Dec 2020	Dec 2019	Budget 2020	YOY Var	Budget Var
<b>Operations:</b>										
Direct written premium	\$ 1,182,125	\$ 876,560	\$ 873,412	\$ 305,565	\$ 308,712	\$ 788,483	\$ 558,477	\$ 562,388	\$ 230,006	\$ 226,095
Ceded written premium:										
Depopulation	(12,372)	(9,328)	(11,651)	(3,045)	(721)	(4,971)	(6,035)	(3,515)	1,063	(1,457)
FHCF	(142,720)	(133,602)	(134,870)	(9,118)	(7,850)	(72,863)	(66,114)	(70,418)	(6,749)	(2,445)
Private reinsurance	(83,989)	(94,639)	(125,000)	10,650	41,011	(24,085)	(18,395)	(25,000)	(5,690)	915
Net earned premium	761,577	616,075	591,590	145,501	169,987	547,176	443,643	455,109	103,533	92,068
Net losses incurred	371,456	331,849	343,502	39,607	27,954	294,984	236,326	290,963	58,657	4,020
Net LAE incurred	248,603	168,112	112,564	80,490	136,039	197,266	150,582	98,122	46,684	99,144
Other underwriting expenses	115,392	89,152	88,199	26,240	27,193	74,522	55,093	55,029	19,428	19,493
Administrative expenses	124,453	124,021	133,840	432	(9,387)	82,677	78,944	86,180	3,733	(3,503)
Net Investment income	228,329	180,826	157,059	47,503	71,270	77,488	68,569	47,703	8,919	29,785
Net income (loss)	\$ 128,967	\$ 86,329	\$ 71,352	\$ 42,637	\$ 57,615	\$ (25,113)	\$ (6,861)	\$ (26,908)	\$ (18,252)	\$ 1,795
<b>Assets, Liabilities and Surplus:</b>										
Cash and invested assets	\$ 8,745,751	\$ 8,878,282		\$ (132,531)		\$ 2,983,416	\$ 2,941,402		\$ 42,014	
Net Loss Reserves	442,657	393,658		48,999		314,314	263,051		51,263	
Net LAE Reserves	325,586	307,917		17,669		256,115	242,435		13,681	
Net unearned premium	627,953	446,487		181,466		427,229	287,841		139,387	
Bonds and interest payable	853,097	1,355,414		(502,317)		280,529	423,534		(143,006)	
Surplus	\$ 6,441,806	\$ 6,317,933		\$ 123,873		\$ 1,720,123	\$ 1,747,896		\$ (27,773)	
<b>Policy Metrics:</b>										
Policies inforce	531,172	442,196	430,704	88,976	100,468	398,849	322,790	318,474	76,059	80,375
Policies serviced	537,068	447,433	437,841	89,635	99,227	401,813	326,675	321,902	75,138	79,911
<b>Cash flows</b>										
Cashflow from operations	\$ 322,048	\$ (13,549)		\$ 335,597		\$ 166,566	\$ (59,882)		\$ 226,448	
Cashflow from investing	71,003	328,016		(257,013)		46,519	281,348		(234,829)	
Cashflow from financing	(485,200)	(331,058)		(154,142)		(137,750)	(134,892)		(2,858)	
<b>Operating metrics:</b>										
Direct loss ratio	42.2%	61.8%	40.3%	-19.6%	1.9%	49.1%	78.6%	52.9%	-29.5%	-3.8%
Direct LAE ratio	26.2%	19.0%	13.2%	7.2%	13.0%	30.8%	30.2%	17.8%	0.6%	13.0%
Underwriting expense ratio	9.8%	10.2%	10.1%	-0.4%	-0.3%	9.5%	9.9%	9.8%	-0.4%	-0.3%
Administrative expense ratio	10.5%	14.1%	15.3%	-3.6%	-4.8%	10.5%	14.1%	15.3%	-3.7%	-4.8%
Expense ratio	20.3%	24.3%	25.4%	-4.0%	-5.1%	19.9%	24.0%	25.1%	-4.1%	-5.2%



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

	Commercial Lines Account					Coastal Account				
	Dec 2020	Dec 2019	Budget 2020	YOY Var	Budget Var	Dec 2020	Dec 2019	Budget 2020	YOY Var	Budget Var
<b>Operations:</b>										
Direct written premium	\$ 13,164	\$ 11,972	\$ 8,878	\$ 1,192	\$ 4,286	\$ 380,477	\$ 306,111	\$ 302,146	\$ 74,367	\$ 78,331
Ceded written premium:										
Depopulation	-	(7)	(92)	7	92	(7,401)	(3,286)	(8,044)	(4,115)	644
FHCF	(2,857)	(2,468)	(1,888)	(389)	(969)	(67,000)	(65,021)	(62,563)	(1,979)	(4,437)
Private reinsurance	-	-	-	-	-	(59,904)	(76,245)	(100,000)	16,340	40,096
Net earned premium	9,788	10,477	7,959	(689)	1,829	204,612	161,955	128,522	42,657	76,090
Net losses incurred	866	7,601	1,356	(6,735)	(490)	75,607	87,922	51,183	(12,315)	24,424
Net LAE incurred	883	3,722	80	(2,839)	803	50,454	13,809	14,362	36,645	36,092
Other underwriting expenses	1,774	1,643	1,188	132	586	39,096	32,416	31,982	6,680	7,114
Administrative expenses	1,345	1,695	1,361	(350)	(16)	40,431	43,382	46,300	(2,951)	(5,868)
Net Investment income	61,508	48,962	41,283	12,546	20,225	89,333	63,295	68,073	26,038	21,260
Net income (loss)	\$ 66,470	\$ 44,838	\$ 45,312	\$ 21,631	\$ 21,158	\$ 87,610	\$ 48,352	\$ 52,947	\$ 39,258	\$ 34,663
<b>Assets, Liabilities and Surplus:</b>										
Cash and invested assets	\$ 1,945,862	\$ 1,909,325		\$ 36,537		\$ 3,816,472	\$ 4,027,555		\$ (211,082)	
Net Loss Reserves	34,595	42,815		(8,220)		93,749	87,792		5,957	
Net LAE Reserves	8,428	10,709		(2,280)		61,043	54,774		6,269	
Net unearned premium	6,320	5,801		519		194,404	152,844		41,560	
Bonds and interest payable	44,308	66,894		(22,587)		528,261	864,985		(336,724)	
Surplus	\$ 1,862,730	\$ 1,796,507		\$ 66,223		\$ 2,858,953	\$ 2,773,530		\$ 85,423	
<b>Policy Metrics:</b>										
Policies inforce	708	738	520	(30)	188	131,615	118,668	111,710	12,947	19,905
Policies serviced	708	738	538	(30)	170	134,547	120,020	115,401	14,527	19,146
<b>Cash flows</b>										
Cashflow from operations	\$ 44,165	\$ 29,101		\$ 15,064		\$ 111,317	\$ 17,232		\$ 94,085	
Cashflow from investing	(93,663)	(13,245)		(80,418)		118,147	59,913		58,234	
Cashflow from financing	(21,887)	(21,816)		(71)		(325,563)	(174,350)		(151,213)	
<b>Operating metrics:</b>										
Direct loss ratio	24.0%	83.4%	13.8%	-59.4%	10.3%	29.6%	31.7%	17.6%	-2.1%	12.0%
Direct LAE ratio	7.8%	30.0%	0.8%	-22.1%	7.0%	17.9%	-1.1%	4.9%	19.0%	13.0%
Underwriting expense ratio	13.5%	13.7%	13.4%	-0.2%	0.1%	10.3%	10.6%	10.6%	-0.3%	-0.3%
Administrative expense ratio	10.2%	14.2%	15.3%	-3.9%	-5.1%	10.6%	14.2%	15.3%	-3.5%	-4.7%
Expense ratio	23.7%	27.9%	28.7%	-4.2%	-5.0%	20.9%	24.8%	25.9%	-3.9%	-5.0%



Consolidated  
Twelve months ended

Personal Lines Account (PLA)  
Twelve months ended

**STATEMENT OF OPERATIONS**

	Dec 2020	Dec 2019	Dec 2020	Dec 2019
<b>Revenue:</b>				
Direct premiums written	\$ 1,182,124,691	\$ 876,559,612	\$ 788,483,364	\$ 558,477,481
Change in direct unearned premium	(185,128,571)	(15,765,074)	(141,180,026)	(23,972,811)
<b>Direct earned premium</b>	996,996,120	860,794,538	647,303,338	534,504,670
Ceded premiums written - Depopulation	(12,372,344)	(9,327,580)	(4,971,498)	(6,034,633)
Ceded premiums written - FHCF	(142,720,078)	(133,602,467)	(72,862,955)	(66,113,542)
Ceded premiums written - Private reinsurance	(83,989,119)	(94,639,245)	(24,084,968)	(18,394,693)
Change in ceded unearned premium	3,662,248	(7,149,771)	1,792,581	(318,336)
<b>Ceded earned premium</b>	(235,419,293)	(244,719,063)	(100,126,840)	(90,861,204)
<b>Net earned premium</b>	\$ 761,576,827	\$ 616,075,474	\$ 547,176,498	\$ 443,643,466
<b>Losses and Loss Adjustment Expenses:</b>				
Losses				
Direct losses paid	\$ (481,213,555)	\$ (748,230,797)	\$ (332,848,013)	\$ (479,253,722)
Change in direct case loss reserves	64,208,356	97,214,914	43,847,427	48,378,343
Change in direct IBNR loss reserves	(309,178)	129,073,396	(27,255,752)	15,748,066
Ceded losses incurred	45,857,942	190,093,461	21,272,564	178,800,932
<b>Losses incurred</b>	(371,456,436)	(331,849,026)	(294,983,774)	(236,326,381)
Loss adjustment expenses				
Direct D&CC paid	(101,356,953)	(116,352,391)	(78,425,513)	(87,306,899)
Direct A&O paid	(151,294,610)	(155,517,958)	(109,615,980)	(111,604,979)
Change in direct case LAE reserves	1,403,211	23,536,346	(2,054,611)	16,220,668
Change in direct IBNR LAE reserves	(7,498,821)	88,064,909	(8,233,283)	23,096,551
Ceded LAE incurred	10,144,242	(7,843,367)	1,063,239	9,012,783
<b>LAE incurred</b>	(248,602,931)	(168,112,460)	(197,266,148)	(150,581,875)
<b>Net losses and LAE incurred</b>	\$ (620,059,366)	\$ (499,961,487)	\$ (492,249,922)	\$ (386,908,256)
<b>Underwriting and Administrative Expenses:</b>				
Producer Commissions	(87,857,974)	(65,154,697)	(56,121,149)	(39,481,554)
Taxes and fees	(15,546,796)	(11,267,538)	(10,682,037)	(7,435,265)
Other underwriting expenses	(11,986,845)	(12,729,294)	(7,718,321)	(8,176,497)
All other administrative expenses	(124,452,862)	(124,021,292)	(82,676,861)	(78,944,140)
<b>Underwriting and administrative expenses</b>	(239,844,477)	(213,172,820)	(157,198,368)	(134,037,456)
<b>Underwriting income (loss)</b>	\$ (98,327,016)	\$ (97,058,833)	\$ (102,271,792)	\$ (77,302,246)
<b>Net investment income:</b>				
Net interest income (expense)				
Investment income earned	198,685,518	225,621,973	66,592,809	76,472,454
Interest expenses	(34,192,744)	(51,621,400)	(12,384,815)	(17,133,390)
<b>Net interest income (expense)</b>	164,492,774	174,000,573	54,207,994	59,339,064
Realized capital gains (losses)	63,836,062	6,824,965	23,279,845	9,229,520
<b>Net investment income</b>	\$ 228,328,837	\$ 180,825,537	\$ 77,487,840	\$ 68,568,584
<b>Other income (expense)</b>	(1,035,137)	2,562,659	(328,964)	1,872,756
<b>Net income (loss)</b>	\$ 128,966,684	\$ 86,329,364	\$ (25,112,916)	\$ (6,860,906)



Commercial Lines Account (CLA)  
Twelve months ended

Coastal Account  
Twelve months ended

**STATEMENT OF OPERATIONS**

**Revenue:**

	Dec 2020	Dec 2019
Direct premiums written	\$ 13,164,029	\$ 11,971,532
Change in direct unearned premium	(518,569)	1,021,170
<b>Direct earned premium</b>	<b>12,645,460</b>	<b>12,992,702</b>
Ceded premiums written - Depopulation	-	(6,754)
Ceded premiums written - FHCF	(2,856,983)	(2,468,014)
Ceded premiums written - Private reinsurance	-	-
Change in ceded unearned premium	-	(40,850)
<b>Ceded earned premium</b>	<b>(2,856,983)</b>	<b>(2,515,618)</b>
<b>Net earned premium</b>	<b>\$ 9,788,477</b>	<b>\$ 10,477,084</b>

	Dec 2020	Dec 2019
	\$ 380,477,298	\$ 306,110,599
	(43,429,976)	7,186,567
	337,047,322	313,297,166
	(7,400,847)	(3,286,193)
	(67,000,140)	(65,020,911)
	(59,904,151)	(76,244,552)
	1,869,668	(6,790,585)
	(132,435,470)	(151,342,242)
	\$ 204,611,852	\$ 161,954,924

**Losses and Loss Adjustment Expenses:**

Losses

Direct losses paid	\$ (9,086,209)	\$ (22,721,076)
Change in direct case loss reserves	(2,297,831)	16,197,649
Change in direct IBNR loss reserves	8,345,585	(4,277,400)
Ceded losses incurred	2,172,537	3,199,981
<b>Losses incurred</b>	<b>(865,919)</b>	<b>(7,600,845)</b>

	\$ (139,279,334)	\$ (246,255,999)
	22,658,761	32,638,922
	18,600,989	117,602,730
	22,412,841	8,092,547
	(75,606,743)	(87,921,800)

Loss adjustment expenses

Direct D&CC paid	(1,399,720)	(955,850)
Direct A&O paid	(1,763,305)	(4,106,894)
Change in direct case LAE reserves	1,027,448	1,091,909
Change in direct IBNR LAE reserves	1,144,311	89,003
Ceded LAE incurred	108,627	159,999
<b>LAE incurred</b>	<b>(882,640)</b>	<b>(3,721,833)</b>
<b>Net losses and LAE incurred</b>	<b>\$ (1,748,559)</b>	<b>\$ (11,322,678)</b>

	(21,531,720)	(28,089,641)
	(39,915,325)	(39,806,084)
	2,430,373	6,223,769
	(409,848)	64,879,355
	8,972,377	(17,016,149)
	(50,454,143)	(13,808,752)
	\$ (126,060,885)	\$ (101,730,552)

**Underwriting and Administrative Expenses:**

Producer Commissions	(1,466,784)	(1,302,402)
Taxes and fees	(185,808)	(165,418)
Other underwriting expenses	(121,872)	(174,853)
All other administrative expenses	(1,344,564)	(1,694,972)
<b>Underwriting and administrative expenses</b>	<b>(3,119,029)</b>	<b>(3,337,645)</b>

	(30,270,041)	(24,370,741)
	(4,678,951)	(3,666,855)
	(4,146,652)	(4,377,944)
	(40,431,436)	(43,382,180)
	(79,527,080)	(75,797,720)

**Underwriting income (loss)**

	\$ 4,920,889	\$ (4,183,239)
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**Underwriting income (loss)**

	(976,113)	(15,573,348)
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**Net investment income:**

Net interest income (expense)

Investment income earned	46,188,179	50,745,609
Interest expenses	(1,956,101)	(2,706,107)
<b>Net interest income (expense)</b>	<b>44,232,078</b>	<b>48,039,502</b>

	85,904,530	98,403,909
	(19,851,828)	(31,781,903)
	66,052,702	66,622,006

Realized capital gains (loses)

	17,275,712	922,087
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Realized capital gains (loses)

	23,280,505	(3,326,642)
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**Net investment income**

	\$ 61,507,790	\$ 48,961,589
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**Net investment income**

	\$ 89,333,207	\$ 63,295,364
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**Other income (expense)**

	40,907	59,929
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**Other income (expense)**

	(747,081)	629,974
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**Net income (loss)**

	\$ 66,469,586	\$ 44,838,279
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**Net income (loss)**

	\$ 87,610,013	\$ 48,351,991
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## ADMINISTRATIVE EXPENSES

Twelve months ended

	Dec 2020	Dec 2019	2020 Budget
Salaries	\$ 95,895,507	\$ 92,735,858	\$ 97,570,910
Employee Benefits	22,161,362	19,551,356	22,450,512
Payroll Taxes	6,832,888	6,655,688	7,030,655
Contingent Staffing	61,967,892	61,716,247	67,144,807
Subscriptions & Dues	1,101,920	809,121	1,693,534
Bank Charges	159,612	197,752	110,341
Depreciation	2,130,249	2,791,496	2,184,160
FMAP Funding	(177,845)	(151,953)	(315,954)
Insurance	983,386	663,415	876,272
Legal	1,228,394	2,162,137	1,583,000
Operations & Maintenance	1,693,256	2,202,157	2,370,564
Miscellaneous	5,645	38,285	-
Operating Supplies	159,437	216,703	270,927
Computer Hardware	1,954,437	1,701,981	2,050,228
Postage	181,397	284,081	463,146
Printing	44,921	42,810	199,622
Producer Fees Collected	(532,578)	(616,622)	(717,000)
Professional Services	8,895,965	6,964,229	11,949,362
Recruiting	530,058	368,972	595,795
Rent	6,355,160	7,168,232	6,474,951
Software Maint & Licensing	15,481,903	17,254,959	18,675,510
Telecommunications	2,665,753	2,850,753	2,730,280
Training	543,411	923,638	1,083,768
Travel & Meals	405,834	1,527,835	1,641,726
ULAE Expense Allocation	(106,215,101)	(104,037,836)	(114,276,829)
<b>Total Administrative Expense</b>	<b>\$ 124,452,862</b>	<b>\$ 124,021,292</b>	<b>\$ 133,840,286</b>