



SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Consolidated					Personal Lines Account				
	Dec 2021	Dec 2020	Budget 2021	YOY Var	Budget Var	Dec 2021	Dec 2020	Budget 2021	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 1,814,135	\$ 1,182,125	\$ 1,379,455	\$ 632,011	\$ 434,680	\$ 1,280,549	\$ 788,483	\$ 930,300	\$ 492,066	\$ 350,250
Ceded written premium:										
Depopulation	(4,220)	(12,372)	(10,896)	8,153	6,677	(3,346)	(4,971)	(5,640)	1,626	2,294
FHCF	(199,827)	(142,720)	(184,117)	(57,107)	(15,710)	(111,626)	(72,863)	(98,564)	(38,763)	(13,063)
Private reinsurance	(251,647)	(83,989)	(210,000)	(167,658)	(41,647)	(112,373)	(24,085)	(60,000)	(88,288)	(52,373)
Net earned premium	1,009,120	761,577	864,921	247,543	144,199	783,743	547,176	685,879	236,566	97,864
Net losses incurred	530,792	371,456	513,266	159,336	17,526	446,578	294,984	432,618	151,594	13,960
Net LAE incurred	343,354	248,603	170,025	94,751	173,328	296,131	197,266	148,542	98,865	147,589
Other underwriting expenses	171,120	115,392	135,915	55,729	35,205	117,834	74,522	88,917	43,313	28,917
Administrative expenses	130,369	124,453	139,363	5,916	(8,994)	91,422	82,677	93,969	8,745	(2,547)
Net Investment income	238,757	228,329	138,402	10,428	100,355	73,392	77,488	33,367	(4,096)	40,025
Net income (loss)	\$ 80,128	\$ 128,967	\$ 46,882	\$ (48,839)	\$ 33,246	\$ (89,141)	\$ (25,113)	\$ (43,180)	\$ (64,028)	\$ (45,961)
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 9,111,990	\$ 8,745,751		\$ 366,240		\$ 3,301,972	\$ 2,983,416		\$ 318,556	
Net Loss Reserves	583,148	442,657		140,490		454,035	314,314		139,721	
Net LAE Reserves	424,429	325,586		98,843		350,211	256,115		94,096	
Net unearned premium	977,276	627,953		349,322		696,690	427,229		269,461	
Bonds and interest payable	452,853	853,097		(400,244)		139,420	280,529		(141,108)	
Surplus	\$ 6,526,508	\$ 6,441,806		\$ 84,702		\$ 1,633,222	\$ 1,720,123		\$ (86,901)	
Policy Metrics:										
Policies inforce	759,305	531,172	630,257	228,133	129,048	589,028	398,849	476,862	190,179	112,166
Policies serviced	761,149	537,068	636,375	224,081	124,774	590,674	401,813	480,253	188,861	110,421
Cash flows										
Cashflow from operations	\$ 698,376	\$ 322,048		\$ 376,328		\$ 443,026	\$ 166,566		\$ 276,459	
Cashflow from investing	433,794	71,003		362,791		120,089	46,519		73,570	
Cashflow from financing	(384,718)	(485,200)		100,482		(138,047)	(137,750)		(297)	
Operating metrics:										
Direct loss ratio	40.6%	42.2%	40.8%	-1.6%	-0.1%	48.1%	49.1%	51.2%	-1.0%	-3.1%
Direct LAE ratio	24.4%	26.2%	13.5%	-1.8%	10.9%	29.6%	30.8%	17.6%	-1.2%	12.0%
Underwriting expense ratio	9.4%	9.8%	9.9%	-0.3%	-0.4%	9.2%	9.5%	9.6%	-0.2%	-0.4%
Administrative expense ratio	7.2%	10.5%	10.1%	-3.3%	-2.9%	7.1%	10.5%	10.1%	-3.3%	-3.0%
Expense ratio	16.6%	20.3%	20.0%	-3.7%	-3.3%	16.3%	19.9%	19.7%	-3.6%	-3.3%



SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Commercial Lines Account					Coastal Account				
	Dec 2021	Dec 2020	Budget 2021	YOY Var	Budget Var	Dec 2021	Dec 2020	Budget 2021	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 17,986	\$ 13,164	\$ 15,217	\$ 4,822	\$ 2,769	\$ 515,600	\$ 380,477	\$ 433,938	\$ 135,123	\$ 81,662
Ceded written premium:										
Depopulation	-	-	-	-	-	(874)	(7,401)	(5,257)	6,527	4,383
FHCF	(3,357)	(2,857)	(3,352)	(500)	(5)	(84,844)	(67,000)	(82,201)	(17,843)	(2,643)
Private reinsurance	-	-	-	-	-	(139,273)	(59,904)	(150,000)	(79,369)	10,727
Net earned premium	12,128	9,788	11,285	2,339	843	213,250	204,612	167,758	8,638	45,492
Net losses incurred	2,773	866	1,986	1,907	787	81,441	75,607	78,662	5,835	2,779
Net LAE incurred	342	883	117	(541)	224	46,881	50,454	21,366	(3,573)	25,515
Other underwriting expenses	2,376	1,774	2,048	602	328	50,910	39,096	44,950	11,814	5,960
Administrative expenses	1,329	1,345	1,535	(16)	(206)	37,618	40,431	43,859	(2,813)	(6,241)
Net Investment income	69,104	61,508	41,213	7,596	27,890	96,261	89,333	63,822	6,928	32,439
Net income (loss)	\$ 74,470	\$ 66,470	\$ 46,902	\$ 8,000	\$ 27,568	\$ 94,800	\$ 87,610	\$ 43,159	\$ 7,190	\$ 51,640
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 1,989,575	\$ 1,945,862		\$ 43,713		\$ 3,820,443	\$ 3,816,472		\$ 3,971	
Net Loss Reserves	24,695	34,595		(9,899)		104,417	93,749		10,668	
Net LAE Reserves	6,653	8,428		(1,775)		67,566	61,043		6,523	
Net unearned premium	8,822	6,320		2,501		271,764	194,404		77,360	
Bonds and interest payable	22,021	44,308		(22,287)		291,412	528,261		(236,849)	
Surplus	\$ 1,937,420	\$ 1,862,730		\$ 74,690		\$ 2,955,866	\$ 2,858,953		\$ 96,913	
Policy Metrics:										
Policies inforce	719	708	845	11	(126)	169,558	131,615	152,549	37,943	17,009
Policies serviced	719	708	845	11	(126)	169,756	134,547	155,277	35,209	14,479
Cash flows										
Cashflow from operations	\$ 46,971	\$ 44,165		\$ 2,806		\$ 208,380	\$ 111,317		\$ 97,063	
Cashflow from investing	(91,648)	(93,663)		2,015		405,353	118,147		287,206	
Cashflow from financing	(21,837)	(21,887)		51		(224,835)	(325,563)		100,728	
Operating metrics:										
Direct loss ratio	29.8%	24.0%	13.6%	5.7%	16.2%	23.8%	29.6%	19.7%	-5.8%	4.1%
Direct LAE ratio	2.8%	7.8%	0.8%	-5.0%	2.0%	13.1%	17.9%	5.3%	-4.8%	7.7%
Underwriting expense ratio	13.2%	13.5%	13.5%	-0.3%	-0.2%	9.9%	10.3%	10.4%	-0.4%	-0.5%
Administrative expense ratio	7.4%	10.2%	10.1%	-2.8%	-2.7%	7.3%	10.6%	10.1%	-3.3%	-2.8%
Expense ratio	20.6%	23.7%	23.5%	-3.1%	-2.9%	17.2%	20.9%	20.5%	-3.7%	-3.3%



STATEMENT OF OPERATIONS	Consolidated Twelve months ended		Personal Lines Account (PLA) Twelve months ended	
	Dec 2021	Dec 2020	Dec 2021	Dec 2020
Revenue:				
Direct premiums written	\$ 1,814,135,214	\$ 1,182,124,691	\$ 1,280,549,312	\$ 788,483,364
Change in direct unearned premium	(343,309,105)	(185,128,571)	(266,435,096)	(141,180,026)
Direct earned premium	1,470,826,109	996,996,120	1,014,114,216	647,303,338
Ceded premiums written - Depopulation	(4,219,625)	(12,372,344)	(3,345,956)	(4,971,498)
Ceded premiums written - FHCF	(199,826,693)	(142,720,078)	(111,626,228)	(72,862,955)
Ceded premiums written - Private reinsurance	(251,646,707)	(83,989,119)	(112,373,428)	(24,084,968)
Change in ceded unearned premium	(6,013,313)	3,662,248	(3,026,072)	1,792,581
Ceded earned premium	(461,706,337)	(235,419,293)	(230,371,685)	(100,126,840)
Net earned premium	\$ 1,009,119,771	\$ 761,576,827	\$ 783,742,531	\$ 547,176,498
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (481,630,127)	\$ (481,213,555)	\$ (361,725,514)	\$ (332,848,013)
Change in direct case loss reserves	11,204,282	64,208,356	(3,540,053)	43,847,427
Change in direct IBNR loss reserves	(122,896,286)	(309,178)	(119,344,479)	(27,255,752)
Ceded losses incurred	62,530,091	45,857,942	38,032,118	21,272,564
Losses incurred	(530,792,041)	(371,456,436)	(446,577,927)	(294,983,774)
Loss adjustment expenses				
Direct D&CC paid	(101,134,690)	(101,356,953)	(80,894,825)	(78,425,513)
Direct A&O paid	(158,427,601)	(151,294,610)	(123,884,107)	(109,615,980)
Change in direct case LAE reserves	(30,735,009)	1,403,211	(28,252,435)	(2,054,611)
Change in direct IBNR LAE reserves	(65,450,182)	(7,498,821)	(65,025,398)	(8,233,283)
Ceded LAE incurred	12,393,588	10,144,242	1,925,772	1,063,239
LAE incurred	(343,353,894)	(248,602,931)	(296,130,992)	(197,266,148)
Net losses and LAE incurred	\$ (874,145,935)	\$ (620,059,366)	\$ (742,708,919)	\$ (492,249,922)
Underwriting and Administrative Expenses:				
Producer Commissions	(128,859,697)	(87,857,974)	(88,188,870)	(56,121,149)
Taxes and fees	(23,328,663)	(15,546,796)	(16,880,211)	(10,682,037)
Other underwriting expenses	(18,931,841)	(11,986,845)	(12,765,298)	(7,718,321)
All other administrative expenses	(130,369,158)	(124,452,862)	(91,422,183)	(82,676,861)
Underwriting and administrative expenses	(301,489,359)	(239,844,477)	(209,256,562)	(157,198,368)
Underwriting income (loss)	\$ (166,515,523)	\$ (98,327,016)	\$ (168,222,950)	\$ (102,271,792)
Net investment income:				
Net interest income (expense)				
Investment income earned	182,241,036	198,685,518	59,914,944	66,592,809
Interest expenses	(24,056,359)	(34,192,744)	(7,373,668)	(12,384,815)
Net interest income (expense)	158,184,677	164,492,774	52,541,276	54,207,994
Realized capital gains (losses)	80,572,294	63,836,062	20,850,751	23,279,845
Net investment income	\$ 238,756,971	\$ 228,328,837	\$ 73,392,027	\$ 77,487,840
Other income (expense)	7,886,572	(1,035,137)	5,689,643	(328,964)
Net income (loss)	\$ 80,128,020	\$ 128,966,684	\$ (89,141,279)	\$ (25,112,916)



Commercial Lines Account (CLA)

Twelve months ended

Coastal Account

Twelve months ended

STATEMENT OF OPERATIONS

	Dec 2021	Dec 2020	Dec 2021	Dec 2020
Revenue:				
Direct premiums written	\$ 17,986,096	\$ 13,164,029	\$ 515,599,806	\$ 380,477,298
Change in direct unearned premium	(2,501,487)	(518,569)	(74,372,522)	(43,429,976)
Direct earned premium	15,484,609	12,645,460	441,227,284	337,047,322
Ceded premiums written - Depopulation	-	-	(873,669)	(7,400,847)
Ceded premiums written - FHCF	(3,356,940)	(2,856,983)	(84,843,525)	(67,000,140)
Ceded premiums written - Private reinsurance	-	-	(139,273,279)	(59,904,151)
Change in ceded unearned premium	-	-	(2,987,241)	1,869,668
Ceded earned premium	(3,356,940)	(2,856,983)	(227,977,713)	(132,435,470)
Net earned premium	\$ 12,127,669	\$ 9,788,477	\$ 213,249,570	\$ 204,611,852
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (12,672,079)	\$ (9,086,209)	\$ (107,232,534)	\$ (139,279,334)
Change in direct case loss reserves	7,556,047	(2,297,831)	7,188,287	22,658,761
Change in direct IBNR loss reserves	508,500	8,345,585	(4,060,307)	18,600,989
Ceded losses incurred	1,834,843	2,172,537	22,663,130	22,412,841
Losses incurred	(2,772,690)	(865,919)	(81,441,424)	(75,606,743)
Loss adjustment expenses				
Direct D&CC paid	(1,023,559)	(1,399,720)	(19,216,306)	(21,531,720)
Direct A&O paid	(1,093,437)	(1,763,305)	(33,450,057)	(39,915,325)
Change in direct case LAE reserves	585,119	1,027,448	(3,067,693)	2,430,373
Change in direct IBNR LAE reserves	1,098,495	1,144,311	(1,523,279)	(409,848)
Ceded LAE incurred	91,742	108,627	10,376,074	8,972,377
LAE incurred	(341,640)	(882,640)	(46,881,262)	(50,454,143)
Net losses and LAE incurred	\$ (3,114,330)	\$ (1,748,559)	\$ (128,322,686)	\$ (126,060,885)
Underwriting and Administrative Expenses:				
Producer Commissions	(1,924,246)	(1,466,784)	(38,746,581)	(30,270,041)
Taxes and fees	(243,421)	(185,808)	(6,205,030)	(4,678,951)
Other underwriting expenses	(208,513)	(121,872)	(5,958,030)	(4,146,652)
All other administrative expenses	(1,328,623)	(1,344,564)	(37,618,353)	(40,431,436)
Underwriting and administrative expenses	(3,704,804)	(3,119,029)	(88,527,993)	(79,527,080)
Underwriting income (loss)	\$ 5,308,535	\$ 4,920,889	(3,601,109)	(976,113)
Net investment income:				
Net interest income (expense)				
Investment income earned	44,355,691	46,188,179	77,970,401	85,904,530
Interest expenses	(1,164,623)	(1,956,101)	(15,518,069)	(19,851,828)
Net interest income (expense)	43,191,069	44,232,078	62,452,332	66,052,702
Realized capital gains (loses)	25,912,684	17,275,712	33,808,859	23,280,505
Net investment income	\$ 69,103,752	\$ 61,507,790	\$ 96,261,191	\$ 89,333,207
Other income (expense)	57,473	40,907	2,139,456	(747,081)
Net income (loss)	\$ 74,469,761	\$ 66,469,586	\$ 94,799,538	\$ 87,610,013



ADMINISTRATIVE EXPENSES

	Twelve months ended		
	Dec 2021	Dec 2020	2021 Budget
Salaries	\$ 103,183,967	\$ 95,895,507	\$ 101,954,835
Employee Benefits	23,844,008	22,161,362	27,201,761
Payroll Taxes	7,401,984	6,832,888	7,309,653
Contingent Staffing	62,000,217	61,967,892	58,632,809
Subscriptions & Dues	1,099,776	1,101,920	1,332,040
Bank Charges	209,915	159,612	202,512
Depreciation	1,171,636	2,130,249	1,201,817
FMAP Funding	(167,182)	(177,845)	(318,405)
Insurance	735,825	983,386	890,995
Legal	1,245,366	1,228,394	1,703,450
Operations & Maintenance	1,674,541	1,693,256	2,648,816
Miscellaneous	-	5,645	-
Operating Supplies	69,459	159,437	277,206
Computer Hardware	2,214,958	1,954,437	2,474,442
Postage	283,739	181,397	287,797
Printing	39,681	44,921	93,814
Producer Fees	(812,675)	(532,578)	(717,455)
Professional Services	8,175,047	8,895,965	12,328,998
Recruiting	525,881	530,058	506,468
Rent	6,103,843	6,355,160	6,517,306
Software Maint & Licensing	15,907,222	15,481,903	17,885,232
Telecommunications	2,881,845	2,665,753	2,712,188
Training	559,913	543,411	1,023,575
Travel & Meals	303,759	405,834	1,142,787
ULAE Expense Allocation	(108,283,567)	(106,215,101)	(107,929,618)
Total Administrative Expense	\$ 130,369,158	\$ 124,452,862	\$ 139,363,021