

SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Consolidated					Personal Lines Account				
	Jun 2022	Jun 2021	Budget 2022	YOY Var	Budget Var	Jun 2022	Jun 2021	Budget 2022	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 1,494,035	\$ 839,450	\$ 1,422,555	\$ 654,585	\$ 71,481	\$ 1,051,632	\$ 580,184	\$ 1,010,614	\$ 471,448	\$ 41,018
Ceded written premium:										
Depopulation	(13,930)	(1,820)	(3,211)	(12,110)	(10,719)	(13,266)	(1,165)	(2,329)	(12,102)	(10,937)
FHCF	(324,599)	(194,673)	(321,956)	(129,926)	(2,643)	(195,372)	(106,158)	(192,477)	(89,213)	(2,895)
Private reinsurance	(216,343)	(237,953)	(400,000)	21,610	183,657	(89,861)	(98,680)	(190,000)	8,819	100,139
Net earned premium	921,897	560,577	916,012	361,320	5,885	669,348	395,639	667,002	273,709	2,346
Net losses incurred	318,915	256,111	430,518	62,804	(111,603)	276,646	210,559	430,518	66,087	(153,872)
Net LAE incurred	166,347	140,045	146,095	26,302	20,252	139,385	115,408	146,095	23,977	(6,710)
Other underwriting expenses	148,042	78,710	134,857	69,332	13,185	101,161	53,084	134,857	48,077	(33,696)
Administrative expenses	72,192	67,160	83,797	5,032	(11,605)	50,194	46,311	83,797	3,884	(33,603)
Net Investment income	84,894	94,995	77,486	(10,101)	7,408	31,929	31,661	25,216	268	6,712
Net Income (loss)	\$ 303,179	\$ 120,305	\$ 199,617	\$ 182,874	\$ 103,562	\$ 135,215	\$ 6,328	\$ 54,149	\$ 128,887	\$ 81,066
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 9,796,159	\$ 9,111,990 (1)		\$ 684,168		\$ 3,711,545	\$ 3,301,972 (1)		\$ 409,573	
Net Loss Reserves	644,444	583,148 (1)		61,296		519,805	454,035 (1)		65,770	
Net LAE Reserves	446,154	424,429 (1)		21,725		369,090	350,211 (1)		18,879	
Net Unearned Premium Reserves	994,542	977,276 (1)		17,266		780,474	696,690 (1)		83,784	
Bonds and interest payable	289,283	452,853 (1)		(163,570)		-	139,420 (1)		(139,420)	
Surplus	\$ 6,830,172	\$ 6,526,508 (1)		\$ 303,665		\$ 1,769,054	\$ 1,633,222 (1)		\$ 135,832	
Policy Metrics:										
Policies inforce	931,357	638,263	915,820	293,094	15,537	735,365	487,736	710,140	247,629	25,225
Policies serviced	940,173	641,330	919,824	298,843	20,349	743,867	489,735	713,000	254,132	30,867
Cash flows										
Cashflow from operations	\$ 835,031	\$ 477,301		\$ 357,731		\$ 535,831	\$ 274,173		\$ 261,658	
Cashflow from investing	(799,664)	57,055		(856,719)		(503,396)	92,471		(595,866)	
Cashflow from financing	(149,822)	(159,985)		10,163		(130,815)	(137,952)		7,136	
Operating metrics:										
Direct loss ratio	31.4%	40.4%	26.3%	-8.9%	5.2%	38.5%	48.9%	34.2%	-10.4%	4.3%
Direct LAE ratio	16.4%	22.1%	8.9%	-5.6%	7.5%	19.4%	26.8%	12.0%	-7.3%	7.4%
Underwriting expense ratio	9.9%	9.4%	9.5%	0.5%	0.4%	9.6%	9.1%	9.3%	0.5%	0.3%
Administrative expense ratio	4.8%	8.0%	5.9%	-3.2%	-1.1%	4.8%	8.0%	5.9%	-3.2%	-1.1%
Expense ratio	14.7%	17.4%	15.4%	-2.6%	-0.6%	14.4%	17.1%	15.2%	-2.7%	-0.8%

(1) - Balance Sheet information presented is as of December 31, 2021.

SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Commercial Lines Account					Coastal Account				
	Jun 2022	Jun 2021	Budget 2022	YOY Var	Budget Var	Jun 2022	Jun 2021	Budget 2022	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 33,089	\$ 10,371	\$ 10,595	\$ 22,718	\$ 22,494	\$ 409,315	\$ 248,895	\$ 401,346	\$ 160,419	\$ 7,969
Ceded written premium:										
Depopulation	-	-	-	-	-	(664)	(656)	(882)	(8)	218
FHCF	(6,372)	(3,352)	(3,901)	(3,020)	(2,472)	(122,854)	(85,162)	(125,578)	(37,692)	2,724
Private reinsurance	-	-	-	-	-	(126,482)	(139,273)	(210,000)	12,791	83,518
Net earned premium	11,953	6,502	8,246	5,451	3,708	240,596	158,436	240,764	82,160	(168)
Net losses incurred	1,257	1,463	1,216	(206)	41	41,012	44,090	1,216	(3,078)	39,795
Net LAE incurred	1,085	478	83	607	1,002	25,877	24,158	83	1,719	25,793
Other underwriting expenses	4,367	1,339	1,334	3,028	3,033	42,514	24,287	1,334	18,226	41,180
Administrative expenses	1,675	804	566	870	1,109	20,323	20,045	566	278	19,757
Net Investment income	20,363	28,119	18,329	(7,757)	2,034	32,603	35,215	33,941	(2,612)	(1,338)
Net Income (loss)	\$ 23,957	\$ 30,570	\$ 23,432	\$ (6,614)	\$ 525	\$ 144,007	\$ 83,406	\$ 122,036	\$ 60,601	\$ 21,971
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 2,013,915	\$ 1,989,575 (1)		\$ 24,339		\$ 4,070,699	\$ 3,820,443 (1)		\$ 250,256	
Net Loss Reserves	19,726	24,695 (1)		(4,969)		104,913	104,417 (1)		496	
Net LAE Reserves	6,201	6,653 (1)		(452)		70,863	67,566 (1)		3,298	
Net Unearned Premium Reserves	23,585	8,822 (1)		14,763		190,483	271,764 (1)		(81,281)	
Bonds and interest payable	-	22,021 (1)		(22,021)		289,283	291,412 (1)		(2,129)	
Surplus	\$ 1,961,371	\$ 1,937,420 (1)		\$ 23,951		\$ 3,099,747	\$ 2,955,866 (1)		\$ 143,881	
Policy Metrics:										
Policies inforce	849	715	690	134	159	195,143	149,812	204,990	45,331	(9,847)
Policies serviced	849	715	690	134	159	195,457	150,880	206,134	44,577	(10,677)
Cash flows										
Cashflow from operations	\$ 43,994	\$ 22,652		\$ 21,341		\$ 255,207	\$ 180,476		\$ 74,731	
Cashflow from investing	(41,331)	(76,877)		35,546		(254,938)	41,462		(296,399)	
Cashflow from financing	(21,614)	(21,833)		218		2,608	(201)		2,809	
Operating metrics:										
Direct loss ratio	9.5%	20.8%	10.0%	-11.3%	-0.5%	14.5%	22.4%	12.2%	-7.9%	2.3%
Direct LAE ratio	8.3%	6.8%	0.7%	1.6%	7.6%	9.2%	12.3%	3.4%	-3.1%	5.7%
Underwriting expense ratio	13.2%	12.9%	12.6%	0.3%	0.6%	10.4%	9.8%	9.8%	0.6%	0.6%
Administrative expense ratio	5.1%	7.8%	5.3%	-2.7%	-0.3%	5.0%	8.1%	5.8%	-3.1%	-0.9%
Expense ratio	18.3%	20.7%	17.9%	-2.4%	0.3%	15.4%	17.8%	15.6%	-2.5%	-0.3%

(1) - Balance Sheet information presented is as of December 31, 2021.



	Consolidated Six months ended		Personal Lines Account (PLA) Six months ended	
	Jun 2022	Jun 2021	Jun 2022	Jun 2021
STATEMENT OF OPERATIONS				
Revenue:				
Direct premiums written	\$ 1,494,035,351	\$ 839,450,450	\$ 1,051,631,871	\$ 580,183,863
Change in direct unearned premium	(474,383,620)	(197,786,386)	(327,693,160)	(144,983,689)
Direct earned premium	1,019,651,731	641,664,064	723,938,711	435,200,174
Ceded premiums written - Depopulation	(13,930,119)	(1,820,394)	(13,266,370)	(1,164,692)
Ceded premiums written - FHCF	(324,598,643)	(194,672,888)	(195,371,925)	(106,158,488)
Ceded premiums written - Private reinsurance	(216,342,909)	(237,953,234)	(89,861,015)	(98,679,955)
Change in ceded unearned premium	457,117,140	353,359,702	243,908,999	166,442,196
Ceded earned premium	(97,754,531)	(81,086,814)	(54,590,311)	(39,560,939)
Net earned premium	\$ 921,897,200	\$ 560,577,250	\$ 669,348,400	\$ 395,639,235
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (307,294,827)	\$ (256,263,176)	\$ (243,284,752)	\$ (187,122,468)
Change in direct case loss reserves	(19,638,321)	16,252,352	(28,433,478)	3,675,200
Change in direct IBNR loss reserves	8,646,188	(16,158,217)	(4,324,992)	(27,204,321)
Ceded losses incurred	(627,855)	57,777	(602,795)	92,750
Losses incurred	(318,914,815)	(256,111,264)	(276,646,017)	(210,558,838)
Loss adjustment expenses				
Direct D&CC paid	(56,758,056)	(43,194,563)	(46,042,828)	(34,365,392)
Direct A&O paid	(94,755,207)	(73,584,088)	(76,083,902)	(56,265,854)
Change in direct case LAE reserves	(19,740,321)	(22,300,181)	(18,467,467)	(19,728,805)
Change in direct IBNR LAE reserves	4,938,145	(967,067)	1,239,229	(5,053,379)
Ceded LAE incurred	(31,393)	1,370	(30,140)	5,027
LAE incurred	(166,346,832)	(140,044,528)	(139,385,109)	(115,408,404)
Net losses and LAE incurred	\$ (485,261,647)	\$ (396,155,792)	\$ (416,031,126)	\$ (325,967,242)
Underwriting and Administrative Expenses:				
Producer Commissions	(109,774,579)	(59,284,931)	(73,781,497)	(39,481,755)
Taxes and Fees	(23,108,359)	(11,931,126)	(16,566,932)	(8,549,214)
Other underwriting expenses	(15,159,011)	(7,493,912)	(10,812,668)	(5,052,970)
All other administrative expenses	(72,192,178)	(67,159,962)	(50,194,228)	(46,310,652)
Underwriting and administrative expenses	(220,234,127)	(145,869,932)	(151,355,326)	(99,394,590)
Underwriting income (loss)	\$ 216,401,426	\$ 18,551,526	\$ 101,961,948	\$ (29,722,597)
Net investment income:				
Net interest income (expense)				
Investment income earned	95,366,920	92,287,017	34,166,672	30,197,928
Interest expenses	(7,272,004)	(13,550,480)	(2,181,230)	(4,742,343)
Net interest income (expense)	88,094,916	78,736,537	31,985,442	25,455,585
Realized capital gains (loses)	(3,200,746)	16,258,274	(56,866)	6,205,456
Net investment income	\$ 84,894,171	\$ 94,994,811	\$ 31,928,576	\$ 31,661,041
Other income (expense)	1,883,267	6,758,298	1,324,598	4,390,012
Net income (loss)	\$ 303,178,864	\$ 120,304,635	\$ 135,215,121	\$ 6,328,456



	Commercial Lines Account (CLA) Six months ended		Coastal Account Six months ended	
	Jun 2022	Jun 2021	Jun 2022	Jun 2021
STATEMENT OF OPERATIONS				
Revenue:				
Direct premiums written	\$ 33,088,932	\$ 10,371,137	\$ 409,314,548	\$ 248,895,450
Change in direct unearned premium	(20,073,769)	(3,310,275)	(126,616,690)	(49,492,421)
Direct earned premium	13,015,163	7,060,862	282,697,858	199,403,029
Ceded premiums written - Depopulation	-	-	(663,749)	(655,702)
Ceded premiums written - FHCF	(6,372,448)	(3,352,228)	(122,854,270)	(85,162,172)
Ceded premiums written - Private reinsurance	-	-	(126,481,894)	(139,273,279)
Change in ceded unearned premium	5,310,373	2,793,523	207,897,768	184,123,983
Ceded earned premium	(1,062,075)	(558,705)	(42,102,145)	(40,967,170)
Net earned premium	\$ 11,953,088	\$ 6,502,157	\$ 240,595,712	\$ 158,435,858
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (6,226,433)	\$ (7,612,511)	\$ (57,783,642)	\$ (61,528,198)
Change in direct case loss reserves	5,130,667	3,833,650	3,664,489	8,743,502
Change in direct IBNR loss reserves	(136,314)	2,312,344	13,107,494	8,733,760
Ceded losses incurred	(25,060)	3,742	-	(38,716)
Losses incurred	(1,257,140)	(1,462,774)	(41,011,658)	(44,089,652)
Loss adjustment expenses				
Direct D&CC paid	(436,956)	(455,541)	(10,278,271)	(8,373,630)
Direct A&O paid	(1,100,282)	(838,138)	(17,571,023)	(16,480,096)
Change in direct case LAE reserves	183,632	166,544	(1,456,486)	(2,737,919)
Change in direct IBNR LAE reserves	269,641	648,630	3,429,274	3,437,681
Ceded LAE incurred	(1,253)	187	-	(3,844)
LAE incurred	(1,085,219)	(478,317)	(25,876,505)	(24,157,807)
Net losses and LAE incurred	\$ (2,342,358)	\$ (1,941,091)	\$ (66,888,163)	\$ (68,247,459)
Underwriting and Administrative Expenses:				
Producer Commissions	(3,661,066)	(1,096,950)	(32,332,016)	(18,706,226)
Taxes and Fees	(603,785)	(159,370)	(5,937,642)	(3,222,542)
Other underwriting expenses	(102,336)	(82,537)	(4,244,006)	(2,358,405)
All other administrative expenses	(1,674,807)	(804,425)	(20,323,143)	(20,044,886)
Underwriting and administrative expenses	(6,041,995)	(2,143,282)	(62,836,806)	(44,332,060)
Underwriting income (loss)	\$ 3,568,735	\$ 2,417,784	\$ 110,870,743	\$ 45,856,339
Net investment income:				
Net interest income (expense)				
Investment income earned	22,364,937	21,966,323	38,835,311	40,122,765
Interest expenses	(344,511)	(749,022)	(4,746,262)	(8,059,114)
Net interest income (expense)	22,020,426	21,217,301	34,089,049	32,063,651
Realized capital gains (loses)	(1,657,812)	6,901,943	(1,486,067)	3,150,876
Net investment income	\$ 20,362,613	\$ 28,119,244	\$ 32,602,982	\$ 35,214,527
Other income (expense)	25,245	33,133	533,424	2,335,152
Net income (loss)	\$ 23,956,593	\$ 30,570,161	\$ 144,007,149	\$ 83,406,018



ADMINISTRATIVE EXPENSES

	Six months ended			Twelve months
	Jun 2022	Jun 2021	2022 Budget	2022 Budget
Salaries	\$ 54,600,157	\$ 49,374,160	\$ 56,944,798	\$ 118,125,887
Employee Benefits	22,481,023	18,724,175	25,408,046	32,786,631
Payroll Taxes	4,075,920	3,685,276	4,695,147	9,485,282
Contingent Staffing	33,212,285	24,194,195	39,926,931	78,485,873
Subscriptions & Dues	728,496	524,383	933,223	1,637,301
Bank Charges	112,487	95,164	122,089	255,372
Depreciation	323,815	697,294	343,333	656,104
FMAP Funding	(108,574)	(104,351)	(169,648)	(339,296)
Insurance	454,479	383,528	456,245	1,000,643
Legal	119,082	700,718	694,300	1,388,600
Operations & Maintenance	861,577	768,731	1,159,039	2,231,128
Miscellaneous	-	-	-	-
Operating Supplies	45,071	32,026	95,433	181,227
Computer Hardware	776,016	800,682	1,529,817	2,751,020
Postage	193,805	177,498	187,532	327,041
Printing	33,829	12,759	54,683	99,026
Producer Fees	(318,978)	(191,252)	(224,021)	(866,802)
Professional Services	4,522,609	3,482,506	8,487,535	17,684,925
Recruiting	212,771	279,878	234,823	581,000
Rent	2,962,223	3,238,930	3,119,398	6,194,946
Software Maint & Licensing	8,732,306	7,390,575	10,789,744	22,510,209
Telecommunications	978,051	1,210,915	1,395,246	3,444,088
Training	228,615	275,351	539,496	953,644
Travel & Meals	372,191	122,993	702,559	1,448,944
ULAE Expense Allocation	(63,407,079)	(48,716,173)	(73,628,254)	(142,434,779)
Total Administrative Expense	\$ 72,192,178	\$ 67,159,962	\$ 83,797,495	\$ 158,588,016