

SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Consolidated					Personal Lines Account				
	Dec 2022	Dec 2021	Budget 2022	YOY Var	Budget Var	Dec 2022	Dec 2021	Budget 2022	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 3,190,080	\$ 1,814,135	\$ 3,001,818	\$ 1,375,945	\$ 188,262	\$ 2,273,633	\$ 1,280,549	\$ 2,142,502	\$ 993,084	\$ 131,131
Ceded written premium:										
Depopulation	(24,069)	(4,220)	(13,007)	(19,849)	(11,062)	(22,866)	(3,346)	(8,678)	(19,520)	(14,188)
FHCF	(324,412)	(199,827)	(321,956)	(124,586)	(2,457)	(195,370)	(111,626)	(192,477)	(83,744)	(2,894)
Private reinsurance	(216,343)	(251,647)	(400,000)	35,304	183,657	(89,861)	(112,373)	(190,000)	22,512	100,139
Net earned premium	1,897,812	1,009,120	1,671,536	888,692	226,276	1,447,501	783,743	1,314,317	663,758	133,184
Net losses incurred	2,888,917	530,792	957,109	2,358,125	1,931,808	1,892,218	446,578	957,109	1,445,640	935,109
Net LAE incurred	990,850	343,354	324,842	647,496	666,008	810,769	296,131	324,842	514,638	485,927
Other underwriting expenses	325,826	171,120	283,642	154,706	42,184	225,805	117,834	283,642	107,971	(57,838)
Administrative expenses	138,611	130,369	158,588	8,242	(19,977)	98,744	91,422	158,588	7,322	(59,844)
Net Investment income	199,813	238,757	160,458	(38,944)	39,356	81,110	73,392	54,039	7,718	27,071
Net Income (loss)	\$ (2,242,343)	\$ 80,128	\$ 110,735	\$ (2,322,471)	\$ (2,353,078)	\$ (1,496,010)	\$ (89,141)	\$ (20,052)	\$ (1,406,868)	\$ (1,475,958)
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 9,029,738	\$ 9,111,990		\$ (82,252)		\$ 3,316,485	\$ 3,301,972		\$ 14,513	
Net Loss Reserves	1,626,253	583,148		1,043,105		1,144,503	454,035		690,468	
Net LAE Reserves	993,452	424,429		569,022		818,526	350,211		468,315	
Net Unearned Premium Reserves	1,704,720	977,276		727,444		1,214,725	696,690		518,035	
Bonds and interest payable	287,119	452,853		(165,734)		-	139,420		(139,420)	
Surplus	\$ 4,279,524	\$ 6,526,508		\$ (2,246,984)		\$ 134,142	\$ 1,633,222		\$ (1,499,080)	
Policy Metrics:										
Policies inforce	1,145,809	759,305	1,064,220	386,504	81,589	917,694	589,028	827,699	328,666	89,995
Policies serviced	1,154,978	761,149	1,069,640	393,829	85,338	926,447	590,674	831,444	335,773	95,003
Cash flows										
Cashflow from operations	\$ 101,595	\$ 698,376		\$ (596,781)		\$ 145,389	\$ 443,026		\$ (297,636)	
Cashflow from investing	(900,824)	433,794		(1,334,618)		(588,873)	120,089		(708,961)	
Cashflow from financing	(142,334)	(384,718)		242,385		(124,453)	(138,047)		13,594	
Operating metrics:										
Direct loss ratio	160.5%	40.6%	40.0%	119.9%	120.5%	154.8%	48.1%	47.0%	106.7%	107.8%
Direct LAE ratio	45.4%	24.4%	13.6%	21.1%	31.8%	51.8%	29.6%	16.5%	22.2%	35.2%
Underwriting expense ratio	10.2%	9.4%	9.4%	0.8%	0.8%	9.9%	9.2%	9.3%	0.7%	0.6%
Administrative expense ratio	4.3%	7.2%	5.3%	-2.8%	-0.9%	4.3%	7.1%	5.3%	-2.8%	-0.9%
Expense ratio	14.6%	16.6%	14.7%	-2.1%	-0.2%	14.3%	16.3%	14.6%	-2.1%	-0.3%

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(\$'000s omitted)

	Commercial Lines Account					Coastal Account				
	Dec 2022	Dec 2021	Budget 2022	YOY Var	Budget Var	Dec 2022	Dec 2021	Budget 2022	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 64,885	\$ 17,986	\$ 20,116	\$ 46,899	\$ 44,768	\$ 851,563	\$ 515,600	\$ 839,200	\$ 335,963	\$ 12,362
Ceded written premium:										
Depopulation	-	-	-	-	-	(1,203)	(874)	(4,329)	(329)	3,127
FHCF	(6,430)	(3,357)	(3,901)	(3,073)	(2,529)	(122,612)	(84,844)	(125,578)	(37,769)	2,966
Private reinsurance	-	-	-	-	-	(126,482)	(139,273)	(210,000)	12,791	83,518
Net earned premium	31,247	12,128	14,523	19,119	16,723	419,065	213,250	342,696	205,815	76,369
Net losses incurred	56,429	2,773	2,458	53,657	53,971	940,270	81,441	2,458	858,828	937,812
Net LAE incurred	5,040	342	168	4,698	4,872	175,041	46,881	168	128,160	174,873
Other underwriting expenses	8,606	2,376	2,554	6,230	6,052	91,415	50,910	2,554	40,506	88,861
Administrative expenses	2,823	1,329	1,071	1,494	1,752	37,044	37,618	1,071	(574)	35,973
Net Investment income	42,787	69,104	37,056	(26,317)	5,731	75,916	96,261	69,362	(20,345)	6,554
Net Income (loss)	\$ 1,226	\$ 74,470	\$ 45,437	\$ (73,244)	\$ (44,211)	\$ (747,559)	\$ 94,800	\$ 85,351	\$ (842,358)	\$ (832,909)
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 2,021,600	\$ 1,989,575		\$ 32,024		\$ 3,691,653	\$ 3,820,443		\$ (128,790)	
Net Loss Reserves	49,752	24,695		25,057		431,998	104,417		327,581	
Net LAE Reserves	8,719	6,653		2,066		166,207	67,566		98,642	
Net Unearned Premium Reserves	36,030	8,822		27,208		453,965	271,764		182,201	
Bonds and interest payable	-	22,021		(22,021)		287,119	291,412		(4,293)	
Surplus	\$ 1,938,647	\$ 1,937,420		\$ 1,227		\$ 2,206,734	\$ 2,955,866		\$ (749,132)	
Policy Metrics:										
Policies inforce	1,067	719	704	348	363	227,048	169,558	235,817	57,490	(8,769)
Policies serviced	1,067	719	704	348	363	227,464	169,756	237,492	57,708	(10,028)
Cash flows										
Cashflow from operations	\$ 60,755	\$ 46,971		\$ 13,784		\$ (104,549)	\$ 208,380		\$ (312,929)	
Cashflow from investing	(32,556)	(91,648)		59,092		(279,395)	405,353		(684,748)	
Cashflow from financing	(21,394)	(21,837)		442		3,513	(224,835)		228,348	
Operating metrics:										
Direct loss ratio	167.3%	29.8%	13.3%	137.5%	153.9%	174.9%	23.8%	23.1%	151.1%	151.9%
Direct LAE ratio	14.4%	2.8%	0.9%	11.6%	13.5%	30.7%	13.1%	6.5%	17.6%	24.2%
Underwriting expense ratio	13.3%	13.2%	12.7%	0.1%	0.6%	10.7%	9.9%	9.8%	0.9%	0.9%
Administrative expense ratio	4.4%	7.4%	5.3%	-3.0%	-1.0%	4.4%	7.3%	5.3%	-2.9%	-0.9%
Expense ratio	17.6%	20.6%	18.0%	-3.0%	-0.4%	15.1%	17.2%	15.1%	-2.1%	-



	Consolidated Twelve months ended		Personal Lines Account (PLA) Twelve months ended	
	Dec 2022	Dec 2021	Dec 2022	Dec 2021
STATEMENT OF OPERATIONS				
Revenue:				
Direct premiums written	\$ 3,190,080,231	\$ 1,814,135,214	\$ 2,273,632,876	\$ 1,280,549,312
Change in direct unearned premium	(735,748,080)	(343,309,105)	(525,983,091)	(266,435,096)
Direct earned premium	2,454,332,151	1,470,826,109	1,747,649,785	1,014,114,216
Ceded premiums written - Depopulation	(24,068,982)	(4,219,625)	(22,866,295)	(3,345,956)
Ceded premiums written - FHCF	(324,412,304)	(199,826,693)	(195,370,128)	(111,626,228)
Ceded premiums written - Private reinsurance	(216,342,909)	(251,646,707)	(89,861,015)	(112,373,428)
Change in ceded unearned premium	8,303,857	(6,013,313)	7,948,212	(3,026,072)
Ceded earned premium	(556,520,338)	(461,706,337)	(300,149,227)	(230,371,685)
Net earned premium	\$ 1,897,811,814	\$ 1,009,119,771	\$ 1,447,500,558	\$ 783,742,531
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (1,948,545,408)	\$ (481,630,127)	\$ (1,269,416,674)	\$ (361,725,514)
Change in direct case loss reserves	(196,614,126)	11,204,282	(157,303,598)	(3,540,053)
Change in direct IBNR loss reserves	(1,769,302,868)	(122,896,286)	(1,255,944,845)	(119,344,479)
Ceded losses incurred	1,025,545,402	62,530,091	790,447,152	38,032,118
Losses incurred	(2,888,917,000)	(530,792,041)	(1,892,217,965)	(446,577,927)
Loss adjustment expenses				
Direct D&CC paid	(126,506,146)	(101,134,690)	(103,812,873)	(80,894,825)
Direct A&O paid	(309,351,913)	(158,427,601)	(242,024,189)	(123,884,107)
Change in direct case LAE reserves	(43,311,520)	(30,735,009)	(39,401,051)	(28,252,435)
Change in direct IBNR LAE reserves	(628,178,829)	(65,450,182)	(511,779,000)	(65,025,398)
Ceded LAE incurred	116,498,810	12,393,588	86,248,426	1,925,772
LAE incurred	(990,849,597)	(343,353,894)	(810,768,687)	(296,130,992)
Net losses and LAE incurred	\$ (3,879,766,597)	\$ (874,145,935)	\$ (2,702,986,652)	\$ (742,708,919)
Underwriting and Administrative Expenses:				
Producer Commissions	(234,957,789)	(128,859,697)	(160,341,589)	(88,188,870)
Taxes and Fees	(54,059,807)	(23,328,663)	(39,208,264)	(16,880,211)
Other underwriting expenses	(36,808,758)	(18,931,841)	(26,255,071)	(12,765,298)
All other administrative expenses	(138,610,996)	(130,369,158)	(98,744,389)	(91,422,183)
Underwriting and administrative expenses	(464,437,350)	(301,489,359)	(324,549,312)	(209,256,562)
Underwriting income (loss)	\$ (2,446,392,134)	\$ (166,515,523)	\$ (1,580,035,407)	\$ (168,222,950)
Net investment income:				
Net interest income (expense)				
Investment income earned	217,696,693	182,241,036	83,725,201	59,914,944
Interest expenses	(11,983,112)	(24,056,359)	(2,181,230)	(7,373,668)
Net interest income (expense)	205,713,581	158,184,677	81,543,970	52,541,276
Realized capital gains (loses)	(5,900,375)	80,572,294	(433,521)	20,850,751
Net investment income	\$ 199,813,207	\$ 238,756,971	\$ 81,110,449	\$ 73,392,027
Other income (expense)	4,236,202	7,886,572	2,915,212	5,689,643
Net income (loss)	\$ (2,242,342,726)	\$ 80,128,020	\$ (1,496,009,745)	\$ (89,141,279)



	Commercial Lines Account (CLA) Twelve months ended		Coastal Account Twelve months ended	
	Dec 2022	Dec 2021	Dec 2022	Dec 2021
STATEMENT OF OPERATIONS				
Revenue:				
Direct premiums written	\$ 64,884,634	\$ 17,986,096	\$ 851,562,721	\$ 515,599,806
Change in direct unearned premium	(27,208,131)	(2,501,487)	(182,556,857)	(74,372,522)
Direct earned premium	37,676,503	15,484,609	669,005,864	441,227,284
Ceded premiums written - Depopulation	-	-	(1,202,686)	(873,669)
Ceded premiums written - FHCF	(6,429,946)	(3,356,940)	(122,612,229)	(84,843,525)
Ceded premiums written - Private reinsurance	-	-	(126,481,894)	(139,273,279)
Change in ceded unearned premium	-	-	355,645	(2,987,241)
Ceded earned premium	(6,429,946)	(3,356,940)	(249,941,165)	(227,977,713)
Net earned premium	\$ 31,246,557	\$ 12,127,669	\$ 419,064,699	\$ 213,249,570
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (34,715,508)	\$ (12,672,079)	\$ (644,413,226)	\$ (107,232,534)
Change in direct case loss reserves	(8,037,028)	7,556,047	(31,273,500)	7,188,287
Change in direct IBNR loss reserves	(20,266,105)	508,500	(493,091,918)	(4,060,307)
Ceded losses incurred	6,589,348	1,834,843	228,508,901	22,663,130
Losses incurred	(56,429,293)	(2,772,690)	(940,269,742)	(81,441,424)
Loss adjustment expenses				
Direct D&CC paid	(813,770)	(1,023,559)	(21,879,503)	(19,216,306)
Direct A&O paid	(2,327,252)	(1,093,437)	(65,000,471)	(33,450,057)
Change in direct case LAE reserves	(41,031)	585,119	(3,869,438)	(3,067,693)
Change in direct IBNR LAE reserves	(2,246,168)	1,098,495	(114,153,661)	(1,523,279)
Ceded LAE incurred	388,425	91,742	29,861,959	10,376,074
LAE incurred	(5,039,797)	(341,640)	(175,041,114)	(46,881,262)
Net losses and LAE incurred	\$ (61,469,090)	\$ (3,114,330)	\$ (1,115,310,856)	\$ (128,322,686)
Underwriting and Administrative Expenses:				
Producer Commissions	(7,215,651)	(1,924,246)	(67,400,550)	(38,746,581)
Taxes and Fees	(1,142,077)	(243,421)	(13,709,466)	(6,205,030)
Other underwriting expenses	(248,491)	(208,514)	(10,305,197)	(5,958,030)
All other administrative expenses	(2,822,563)	(1,328,623)	(37,044,044)	(37,618,353)
Underwriting and administrative expenses	(11,428,781)	(3,704,804)	(128,459,257)	(88,527,993)
Underwriting income (loss)	\$ (41,651,314)	\$ 5,308,535	\$ (824,705,414)	\$ (3,601,109)
Net investment income:				
Net interest income (expense)				
Investment income earned	45,802,355	44,355,691	88,169,137	77,970,401
Interest expenses	(344,511)	(1,164,623)	(9,457,370)	(15,518,069)
Net interest income (expense)	45,457,844	43,191,069	78,711,767	62,452,332
Realized capital gains (loses)	(2,671,215)	25,912,684	(2,795,638)	33,808,859
Net investment income	\$ 42,786,629	\$ 69,103,752	\$ 75,916,129	\$ 96,261,191
Other income (expense)	90,299	57,473	1,230,691	2,139,456
Net income (loss)	\$ 1,225,614	\$ 74,469,761	\$ (747,558,594)	\$ 94,799,538



ADMINISTRATIVE EXPENSES

Twelve months ended

	Dec 2022	Dec 2021	2022 Budget
Salaries	\$ 118,960,089	\$ 103,183,967	\$ 118,125,887
Employee Benefits	27,848,307	23,844,008	32,786,631
Payroll Taxes	8,581,547	7,401,984	9,485,282
Contingent Staffing	130,998,511	62,000,217	78,485,873
Subscriptions & Dues	1,438,197	1,099,776	1,637,301
Bank Charges	245,003	209,915	255,372
Depreciation	591,899	1,171,636	656,104
FMAP Funding	(289,560)	(167,182)	(339,296)
Insurance	873,846	735,825	1,000,643
Legal	580,836	1,245,366	1,388,600
Operations & Maintenance	1,913,568	1,674,541	2,231,128
Miscellaneous	-	-	-
Operating Supplies	96,031	69,459	181,227
Computer Hardware	2,404,338	2,214,958	2,751,020
Postage	535,645	283,739	327,041
Printing	47,896	39,681	99,026
Producer Fees	(1,115,184)	(812,675)	(866,802)
Professional Services	13,243,837	8,175,047	17,684,925
Recruiting	447,572	525,881	581,000
Rent	5,846,102	6,103,843	6,194,946
Software Maint & Licensing	18,863,296	15,907,222	22,510,209
Telecommunications	2,277,509	2,881,845	3,444,088
Training	511,837	559,913	953,644
Travel & Meals	1,326,432	303,759	1,448,944
ULAE Expense Allocation	(197,616,557)	(108,283,567)	(142,434,779)
Total Administrative Expense	\$ 138,610,996	\$ 130,369,158	\$ 158,588,016