



SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Consolidated					Personal Lines Account				
	December 2023	December 2022	Budget 2023	YOY Var	Budget Var	December 2023	December 2022	Budget 2023	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 5,070,989	\$ 3,190,080	\$ 5,136,078	\$ 1,880,909	\$ (65,090)	\$ 3,228,288	\$ 2,273,633	\$ 3,765,881	\$ 954,655	\$ (537,593)
Ceded written premium:										
Depopulation	(588,341)	(24,069)	(31,522)	(564,272)	(556,819)	(500,932)	(22,866)	(29,326)	(478,066)	(471,606)
FHCF	(479,462)	(324,412)	(506,199)	(155,049)	26,738	(274,625)	(195,370)	(317,021)	(79,255)	42,396
Private reinsurance	(695,512)	(216,343)	(725,000)	(479,169)	29,488	(388,198)	(89,861)	(400,000)	(298,337)	11,802
Net earned premium	2,881,407	1,897,812	2,881,912	983,596	(505)	1,980,115	1,447,501	2,259,023	532,614	(278,908)
Net losses incurred	1,261,403	2,888,917	1,500,098	(1,627,514)	(238,695)	1,113,610	1,892,218	1,280,494	(778,607)	(166,883)
Net LAE incurred	453,803	990,850	519,554	(537,047)	(65,751)	399,867	810,769	458,562	(410,902)	(58,695)
Underwriting expenses	535,834	325,826	511,178	210,008	24,656	322,615	225,805	364,305	96,810	(41,690)
Administrative expenses	163,824	138,611	185,785	25,213	(21,960)	104,231	98,744	135,833	5,487	(31,602)
Net investment income	275,943	199,813	232,665	76,129	43,278	118,627	81,110	76,440	37,517	42,187
Net income (loss)	\$ 746,453	\$ (2,242,343)	\$ 407,407	\$ 2,988,796	\$ 339,046	\$ 160,606	\$ (1,496,010)	\$ 103,720	\$ 1,656,616	\$ 56,887
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 9,866,309	\$ 9,029,738		\$ 836,571		\$ 3,676,624	\$ 3,316,485		\$ 360,139	
Net loss reserves	1,441,569	1,626,253		(184,684)		1,167,568	1,144,503		23,065	
Net LAE reserves	907,134	993,452		(86,318)		779,328	818,526		(39,198)	
Net unearned premium	2,130,986	1,704,720		426,266		1,299,143	1,214,725		84,418	
Bonds and interest payable	639	287,119		(286,480)		639	-		639	
Surplus	\$ 5,023,467	\$ 4,279,524		\$ 743,944		\$ 292,583	\$ 134,142		\$ 158,441	
Policy Metrics:										
Policies inforce	1,228,718	1,145,809	1,680,968	82,909	(452,250)	989,968	917,694	1,378,114	72,274	(388,146)
Policies serviced	1,489,901	1,154,978	1,693,379	334,923	(203,478)	1,215,963	926,447	1,389,929	289,516	(173,966)
Cash flows:										
Cashflow from operations	\$ 1,142,677	\$ 101,595		\$ 1,041,082		\$ 364,954	\$ 145,389		\$ 219,565	
Cashflow from investing	1,000,628	(900,824)		1,901,452		552,611	(588,873)		1,141,484	
Cashflow from financing	(272,292)	(142,334)		(129,958)		857	(124,453)		125,310	
Operating metrics:										
Direct loss ratio	33.4%	160.5%	37.4%	-127.1%	-4.0%	43.8%	154.8%	44.2%	-111.0%	-0.4%
Direct LAE ratio	11.4%	45.4%	12.9%	-34.0%	-1.5%	15.3%	51.8%	15.8%	-36.5%	-0.5%
Underwriting expense ratio	10.6%	10.2%	10.0%	0.4%	0.6%	10.0%	9.9%	9.7%	0.1%	0.3%
Administrative expense ratio	3.2%	4.3%	3.6%	-1.1%	-0.4%	3.2%	4.3%	3.6%	-1.1%	-0.4%
Expense ratio	13.8%	14.6%	13.6%	-0.8%	0.2%	13.2%	14.3%	13.3%	-1.1%	-0.1%



SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	Commercial Lines Account					Coastal Account				
	December 2023	December 2022	Budget 2023	YOY Var	Budget Var	December 2023	December 2022	Budget 2023	YOY Var	Budget Var
Operations:										
Direct written premium	\$ 314,366	\$ 64,885	\$ 131,021	\$ 249,481	\$ 183,345	\$ 1,528,335	\$ 851,563	\$ 1,239,177	\$ 676,772	\$ 289,158
Ceded written premium:										
Depopulation	-	-	-	-	-	(87,409)	(1,203)	(2,196)	(86,206)	(85,213)
FHCF	(20,406)	(6,430)	(11,680)	(13,976)	(8,726)	(184,431)	(122,612)	(177,498)	(61,819)	(6,933)
Private reinsurers	-	-	-	-	-	(307,314)	(126,482)	(325,000)	(180,832)	17,686
Net earned premium	178,848	31,247	81,465	147,601	97,383	722,445	419,065	541,425	303,381	181,021
Net losses incurred	4,598	56,429	12,970	(51,832)	(8,372)	143,194	940,270	206,634	(797,075)	(63,440)
Net LAE incurred	6,406	5,040	1,036	1,366	5,370	47,530	175,041	59,956	(127,512)	(12,426)
Other underwriting expenses	41,347	8,606	18,215	32,741	23,132	171,872	91,415	128,658	80,457	43,214
Administrative expenses	10,167	2,823	4,651	7,344	5,516	49,426	37,044	45,301	12,382	4,125
Net investment income	57,431	42,787	60,617	14,645	(3,186)	99,884	75,916	95,608	23,968	4,276
Net income (loss)	\$ 174,386	\$ 1,226	\$ 105,802	\$ 173,161	\$ 68,584	\$ 411,460	\$ (747,559)	\$ 197,885	\$ 1,159,019	\$ 213,575
Assets, Liabilities and Surplus:										
Cash and invested assets	\$ 2,294,700	\$ 2,021,600		\$ 273,100		\$ 3,894,985	\$ 3,691,653		\$ 203,332	
Net loss reserves	28,143	49,752		(21,608)		245,858	431,998		(186,140)	
Net LAE reserves	7,848	8,719		(871)		119,958	166,207		(46,250)	
Net unearned premium	151,142	36,030		115,112		680,701	453,965		226,736	
Bonds and interest payable	-	-		-		-	287,119		(287,119)	
Surplus	\$ 2,113,085	\$ 1,938,647		\$ 174,438		\$ 2,617,799	\$ 2,206,734		\$ 411,065	
Policy Metrics:										
Policies inforce	4,293	1,067	1,595	3,226	2,698	234,457	227,048	301,259	7,409	(66,802)
Policies serviced	4,293	1,067	1,595	3,226	2,698	269,645	227,464	301,855	42,181	(32,210)
Cash flows:										
Cashflow from operations	\$ 276,847	\$ 60,755		\$ 216,092		\$ 500,876	\$ (104,549)		\$ 605,425	
Cashflow from investing	97,761	(32,556)		130,317		350,256	(279,395)		629,651	
Cashflow from financing	673	(21,394)		22,067		(273,822)	3,513		(277,335)	
Operating metrics:										
Direct loss ratio	14.6%	167.3%	16.7%	-152.7%	-2.1%	13.8%	174.9%	20.7%	-161.1%	-6.9%
Direct LAE ratio	4.5%	14.4%	1.3%	-10.0%	3.2%	4.2%	30.7%	6.0%	-26.5%	-1.8%
Underwriting expense ratio	13.2%	13.3%	13.9%	-0.1%	-0.8%	11.2%	10.7%	10.4%	0.5%	0.9%
Administrative expense ratio	3.2%	4.4%	3.5%	-1.1%	-0.3%	3.2%	4.4%	3.7%	-1.1%	-0.4%
Expense ratio	16.4%	17.6%	17.5%	-1.2%	-1.1%	14.5%	15.1%	14.0%	-0.6%	0.4%



STATEMENTS OF OPERATIONS

	Consolidated		Personal Lines Account (PLA)	
	Twelve months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Revenue:				
Direct premiums written	\$ 5,070,988,859	\$ 3,190,080,231	\$ 3,228,287,734	\$ 2,273,632,876
Change in direct unearned premium	(852,862,024)	(735,748,079)	(441,552,614)	(525,983,091)
Direct earned premium	4,218,126,835	2,454,332,152	2,786,735,120	1,747,649,785
Ceded premiums written - Depopulation	(588,341,223)	(24,068,981)	(500,932,466)	(22,866,295)
Ceded premiums written - FHCF	(479,461,603)	(324,412,303)	(274,624,628)	(195,370,128)
Ceded premiums written - Private reinsurance	(695,512,093)	(216,342,909)	(388,198,032)	(89,861,015)
Change in ceded unearned premium	426,595,536	8,303,857	357,134,508	7,948,212
Ceded earned premium	(1,336,719,383)	(556,520,336)	(806,620,618)	(300,149,226)
Net earned premium	\$ 2,881,407,452	\$ 1,897,811,816	\$ 1,980,114,502	\$ 1,447,500,559
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (1,678,693,035)	(1,948,545,408)	\$ (1,277,497,931)	\$ (1,269,416,674)
Change in direct case loss reserves	75,543,346	(196,614,126)	54,424,645	(157,303,598)
Change in direct IBNR loss reserves	247,796,831	(1,769,302,868)	64,890,885	(1,255,944,845)
Ceded losses incurred	93,950,277	1,025,545,401	44,571,930	790,447,152
Losses incurred	(1,261,402,581)	(2,888,917,001)	(1,113,610,472)	(1,892,217,965)
Loss adjustment expenses				
Direct D&CC paid	(204,910,283)	(126,506,146)	(174,390,820)	(103,812,873)
Direct A&O paid	(359,438,273)	(309,351,912)	(280,405,884)	(242,024,189)
Change in direct case LAE reserves	3,569,926	(43,311,520)	(2,318,085)	(39,401,051)
Change in direct IBNR LAE reserves	98,117,127	(628,178,829)	53,829,072	(511,779,000)
Ceded LAE incurred	8,858,896	116,498,810	3,418,557	86,248,426
LAE incurred	(453,802,606)	(990,849,597)	(399,867,160)	(810,768,687)
Net losses and LAE incurred	\$ (1,715,205,187)	\$ (3,879,766,598)	\$ (1,513,477,632)	\$ (2,702,986,652)
Underwriting and Administrative Expenses:				
Producer commissions	(400,154,727)	(234,957,790)	(229,767,388)	(160,341,589)
Taxes and fees	(77,963,450)	(54,059,807)	(50,868,750)	(39,208,264)
Other underwriting expenses	(57,715,998)	(36,808,759)	(41,978,903)	(26,255,071)
All other administrative expenses	(163,824,322)	(138,610,996)	(104,231,292)	(98,744,389)
Underwriting and administrative expenses	(699,658,497)	(464,437,352)	(426,846,333)	(324,549,313)
Underwriting income (loss)	\$ 466,543,769	\$ (2,446,392,134)	\$ 39,790,537	\$ (1,580,035,406)
Net Investment Income:				
Net interest income (expense)				
Investment income earned	304,763,521	217,696,693	127,367,257	83,725,201
Interest expenses	(12,061,683)	(11,983,111)	(3,517,886)	(2,181,230)
Net interest income (expense)	292,701,838	205,713,582	123,849,371	81,543,971
Realized capital gains (losses)	(16,759,279)	(5,900,374)	(5,222,364)	(433,521)
Net investment income	\$ 275,942,559	\$ 199,813,208	\$ 118,627,007	\$ 81,110,450
Other income (expense)	3,966,752	4,236,202	2,188,761	2,915,212
Net income (loss)	<u>\$ 746,453,080</u>	<u>\$ (2,242,342,724)</u>	<u>\$ 160,606,305</u>	<u>\$ (1,496,009,744)</u>



Commercial Lines Account (CLA)

Coastal Account

STATEMENTS OF OPERATIONS

	Twelve months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Revenue:				
Direct premiums written	\$ 314,365,969	\$ 64,884,634	\$ 1,528,335,156	\$ 851,562,721
Change in direct unearned premium	(115,112,435)	(27,208,131)	(296,196,975)	(182,556,857)
Direct earned premium	<u>199,253,534</u>	<u>37,676,503</u>	<u>1,232,138,181</u>	<u>669,005,864</u>
Ceded premiums written - Depopulation	-	-	(87,408,757)	(1,202,686)
Ceded premiums written - FHCF	(20,405,804)	(6,429,946)	(184,431,171)	(122,612,229)
Ceded premiums written - Private reinsurance	-	-	(307,314,061)	(126,481,894)
Change in ceded unearned premium	-	-	69,461,028	355,645
Ceded earned premium	<u>(20,405,804)</u>	<u>(6,429,946)</u>	<u>(509,692,961)</u>	<u>(249,941,164)</u>
Net earned premium	<u>\$ 178,847,730</u>	<u>\$ 31,246,557</u>	<u>\$ 722,445,221</u>	<u>\$ 419,064,700</u>
Losses and Loss Adjustment Expenses:				
Losses				
Direct losses paid	\$ (36,594,178)	\$ (34,715,508)	\$ (364,600,925)	\$ (644,413,226)
Change in direct case loss reserves	22,238,792	(8,037,028)	(1,120,091)	(31,273,500)
Change in direct IBNR loss reserves	(14,782,660)	(20,266,105)	197,688,606	(493,091,918)
Ceded losses incurred	24,540,384	6,589,348	24,837,964	228,508,901
Losses incurred	<u>(4,597,662)</u>	<u>(56,429,293)</u>	<u>(143,194,447)</u>	<u>(940,269,743)</u>
Loss adjustment expenses				
Direct D&CC paid	(835,785)	(813,770)	(29,683,677)	(21,879,503)
Direct A&O paid	(7,029,856)	(2,327,252)	(72,002,533)	(65,000,471)
Change in direct case LAE reserves	1,634,169	(41,031)	4,253,843	(3,869,438)
Change in direct IBNR LAE reserves	(2,642,561)	(2,246,168)	46,930,616	(114,153,661)
Ceded LAE incurred	2,468,111	388,425	2,972,228	29,861,959
LAE incurred	<u>(6,405,923)</u>	<u>(5,039,796)</u>	<u>(47,529,523)</u>	<u>(175,041,114)</u>
Net losses and LAE incurred	<u>\$ (11,003,584)</u>	<u>\$ (61,469,089)</u>	<u>\$ (190,723,970)</u>	<u>\$ (1,115,310,857)</u>
Underwriting and Administrative Expenses:				
Producer commissions	(34,787,579)	(7,215,651)	(135,599,760)	(67,400,550)
Taxes and fees	(5,120,109)	(1,142,077)	(21,974,591)	(13,709,466)
Other underwriting expenses	(1,439,534)	(248,491)	(14,297,561)	(10,305,197)
All other administrative expenses	(10,166,608)	(2,822,563)	(49,426,422)	(37,044,044)
Underwriting and administrative expenses	<u>(51,513,830)</u>	<u>(11,428,782)</u>	<u>(221,298,334)</u>	<u>(128,459,257)</u>
Underwriting income (loss)	<u>\$ 116,330,316</u>	<u>\$ (41,651,314)</u>	<u>\$ 310,422,916</u>	<u>\$ (824,705,414)</u>
Net Investment Income:				
Net interest income (expense)				
Investment income earned	58,316,269	45,802,355	119,079,995	88,169,137
Interest expenses	-	(344,511)	(8,543,797)	(9,457,370)
Net interest income (expense)	<u>58,316,269</u>	<u>45,457,844</u>	<u>110,536,198</u>	<u>78,711,767</u>
Realized capital gains (losses)	(885,059)	(2,671,215)	(10,651,856)	(2,795,638)
Net investment income	<u>\$ 57,431,210</u>	<u>\$ 42,786,629</u>	<u>\$ 99,884,342</u>	<u>\$ 75,916,129</u>
Other income (expense)	<u>624,953</u>	<u>90,299</u>	<u>1,153,038</u>	<u>1,230,691</u>
Net income (loss)	<u>\$ 174,386,478</u>	<u>\$ 1,225,614</u>	<u>\$ 411,460,296</u>	<u>\$ (747,558,594)</u>



ADMINISTRATIVE EXPENSES

Twelve months ended

	December 31, 2023	December 31, 2022	2023 Budget
Salaries	\$ 133,438,745	\$ 118,960,089	\$ 144,388,985
Employee Benefits	36,922,374	27,848,307	42,592,646
Payroll Taxes	9,755,633	8,581,547	11,614,949
Contingent Staffing	175,793,394	130,998,511	137,526,112
Subscriptions and Dues	2,026,881	1,438,197	2,334,766
Bank Charges	294,450	245,003	391,813
FMAP Funding	(209,086)	(289,560)	(530,589)
Insurance	998,273	873,846	890,099
Legal	1,452,205	580,836	1,068,500
Operations And Maintenance	1,984,483	1,913,568	2,378,889
Operating Supplies	143,876	96,031	190,770
Computer Hardware	3,129,303	2,404,338	3,064,242
Postage	648,706	535,645	446,076
Printing	84,003	47,896	123,649
Producer Fees Collected	(1,156,656)	(1,115,184)	(807,989)
Professional Services	10,933,568	13,243,837	21,359,603
Recruiting	453,034	447,572	560,886
Rent	5,803,680	5,846,102	5,884,230
Software Maintenance and Licensing	23,107,232	18,863,296	25,005,689
Telecommunications	2,794,849	2,277,509	3,317,884
Training	677,115	511,837	1,159,568
Travel	1,353,280	1,326,431	1,848,816
Depreciation	168,963	591,899	197,099
ULAE Expense	(246,773,984)	(197,616,557)	(219,222,037)
Total Administrative Expense	\$ 163,824,322	\$ 138,610,996	\$ 185,784,656