

**TO: MEMBERS OF THE FACILITY ASSOCIATION**

**ATTENTION: CHIEF EXECUTIVE OFFICER  
ONTARIO RISK SHARING POOL PROJECT MANAGER**

**BULLETIN NO.: F17 – 088**

**DATE: NOVEMBER 29, 2017**

**SUBJECT: ONTARIO RISK SHARING POOL  
– OCTOBER 2017 OPERATIONAL REPORT**

*A copy of this bulletin should be provided to your Chief Financial Officer and Appointed Actuary.*

Please be advised that the October 2017 Ontario Risk Sharing Pool Operational Report is now available on the Facility Association (FA) Portal at <https://portal.facilityassociation.com>.

**New This Month**

Valuation

A valuation of the Ontario RSP as at September 30, 2017 has been completed since last month’s Operational Report and the results of that valuation have been incorporated into this month’s Operational Report. The valuation was completed by the Facility Association’s internal staff in conjunction with, and reviewed and approved by, the Appointed Actuary.

The implementation of the new valuation resulted in an estimated overall **\$9.9 million favourable** impact on the month’s net result from operations, subtracting an estimated 3.2 points from the year-to-date Combined Operating Ratio (ending at 129.6%). The impact on the month’s results is summarized in the table below<sup>1</sup>.

Ontario	unfav / (fav) for the month and ytd						ytd EP 312,806 (actual)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % ytd EP from changes in:					
	ults & payout patterns		dsct rate	margins			ults & payout patterns		dsct rate	margins		
Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	
[1]	[2]	[3]	[4]	[5]	[6]	[1]	[2]	[3]	[4]	[5]	[6]	
PAYs	3,067	571	3,638	(10,324)	-	(6,686)	1.0%	0.2%	1.2%	(3.3%)	-	(2.1%)
CAY	4,396	208	4,604	(5,025)	-	(421)	1.4%	0.1%	1.5%	(1.6%)	-	(0.1%)
Prem Def	816	103	919	(3,701)	-	(2,782)	0.3%	-	0.3%	(1.2%)	-	(0.9%)
<b>TOTAL</b>	<b>8,279</b>	<b>882</b>	<b>9,161</b>	<b>(19,050)</b>	<b>-</b>	<b>(9,889)</b>	<b>2.6%</b>	<b>0.3%</b>	<b>2.9%</b>	<b>(6.1%)</b>	<b>-</b>	<b>(3.2%)</b>

<sup>1</sup>In the tables, “ults & payout patterns” refers to the impacts associated with changes in selected ultimates and updated cashflows of claims payments; “dsct rate” refers to the impact of changes in the selected discount rate applied to projected cashflows; and “apv adj.” refers to “actuarial present value adjustments”.

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The valuation result is due to changes generated from updated nominal ultimate selections and projected cash flows (generating a \$9.2 million unfavourable impact – see column [3] in the left table at the bottom of the previous page), augmented by the impact of a 52 basis point increase in the selected discount rate (from 1.23% to 1.75%, generating a \$19.1 million favourable impact – see column [4] in the left table at the bottom of the previous page). There was no change in the margin for adverse deviation in investment yield (remains at 25 basis points), and no change in the margins for adverse deviation for claims development as selected at the coverage / accident year level (hence generating no impact – see column [5] in the left table at the bottom of the previous page).

Management has observed favourable total valuation impacts over the last 12 valuation implementations, with only the 3 valuation implementations being unfavourable over that 12-quarter period, as shown in the table below (summarizing the same information as provided in the left table at the bottom of the previous page as relates to the most recent 12 valuation implementations). It should be noted that the impacts in column [4] are largely outside of the control of FA (as being related to macroeconomic factors).

RSP: Ontario, as at: 2017 Q3							Valuation Implementation Impact (\$000s)		
Valuation	updated LR&s & exp [1]	unfavourable / (favourable)					\$000s		
		updated LR&s & exp [2]	APVs @ prior assumptions [3]	updated dsct rate [4]	updated margins [5]	Total Impact [6] = sum([1] to [6])	Booked Policy Liabilities [7]	Total Impact as % Book Liabs [8] = [6] / [7]	Nominal Impact as % Book Liabs [9] = [2] / [7]
2014 Q4	Mar	1,048	(965)	1,885	-	1,968	1,310,808	0.2%	0.1%
2015 Q1	May	(39,099)	(6,530)	23,418	(9,706)	(31,917)	1,288,110	(2.5%)	(3.0%)
2015 Q2	Aug	(50,090)	(8,485)	(12,573)	(17,845)	(88,993)	1,211,700	(7.3%)	(4.1%)
2015 Q3	Oct	(40,983)	(5,717)	8,493	-	(38,207)	1,185,206	(3.2%)	(3.5%)
2015 Q4	Mar	(49,197)	(2,815)	2,623	-	(49,389)	1,116,877	(4.4%)	(4.4%)
2016 Q1	May	(5,109)	(214)	3,318	-	(2,005)	1,137,087	(0.2%)	(0.4%)
2016 Q2	Aug	(18,614)	(528)	4,692	(14,996)	(29,446)	1,142,149	(2.6%)	(1.6%)
2016 Q3	Oct	1,048	(965)	1,885	-	1,968	1,184,757	0.2%	0.1%
2016 Q4	Mar	(35,665)	(2,640)	(17,825)	-	(56,130)	1,174,423	(4.8%)	(3.0%)
2017 Q1	May	6,929	646	3,204	-	10,779	1,224,460	0.9%	0.6%
2017 Q2	Aug	(12,256)	(2,265)	(7,162)	(13,084)	(34,767)	1,242,002	(2.8%)	(1.0%)
2017 Q3	Oct	8,279	882	(19,050)	-	(9,889)	1,235,584	(0.8%)	0.7%
12-qtrs		(233,709)	(29,596)	(7,092)	(55,631)	(326,028)			
% of total		71.7%	9.1%	2.2%	17.1%	100.0%			
Averages									
12-qtrs		(19,476)	(2,466)	(591)	(4,636)	(27,169)	1,204,430	(2.3%)	(1.6%)
2014 Q4 to 2016 Q3		(25,125)	(3,277)	4,218	(5,318)	(29,503)	1,197,087	(2.5%)	(2.1%)
2016 Q4 to 2017 Q3		(8,178)	(844)	(10,208)	(3,271)	(22,502)	1,219,117	(1.8%)	(0.7%)

The FA valuation approach is focused on providing best estimates on a nominal basis, and we expect this to manifest itself as a close-to-zero 12-quarter impact for column [2] in the table above. While this objective has not been met, we are encouraged that the average impact over the most recent 4 valuations has been much smaller than the earliest 8 valuations shown.

Please see “Effect of Quarterly Valuation” on page 6 for additional detail.

### Summary of Financial Results

The calendar year-to-date Operating Result is -\$92.5 million and the incurred loss ratio to the end of 10 months is 97.4%, as summarized in the table below.

Amounts in \$000s	October 2017	October 2016	Year to date Oct 2017	Year to Date Oct 2016
Premium Written	25,323	36,389	317,101	267,721
Premium Earned	32,307	25,851	312,806	216,806
Incurred Losses	33,517	33,844	304,577	188,379
Underwriting & Admin Expense	3,344	14,150	100,695	95,609
<b>Operating Result</b>	<b>(4,554)</b>	<b>(22,143)</b>	<b>(92,466)</b>	<b>(67,182)</b>
<b>Ratios:</b>				
<b>Loss ratio</b> - Prior Accident Years	(25.5%)	(9.6%)	(35.4%)	(47.3%)
- Current Accident Year	129.3%	140.5%	132.8%	134.2%
<i>Total</i>	<b>103.8%</b>	<b>130.9%</b>	<b>97.4%</b>	<b>86.9%</b>
<i>Underwriting &amp; Admin Expense</i>	<b>10.4%</b>	<b>54.7%</b>	<b>32.2%</b>	<b>44.1%</b>
<i>Combined Operating Ratio</i>	<b>114.2%</b>	<b>185.6%</b>	<b>129.6%</b>	<b>131.0%</b>

*rounding differences may occur*

These results are discussed in some detail in the “Current Month Results” section. For additional numeric detail, please refer to Exhibit 1 “Summary of Operations for Calendar Year 2017” attached to this bulletin.

#### Updated Projection to Year-end 2017

The projected calendar year Operating Result to December 2017 is -\$121.1 million and the estimated combined operating ratio to December 2017 is 132.2%, as summarized in the table at the top of the next page.

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<b>ON RSP Yr-end Projection</b>	<b>Current</b>	Prior Mth	<b>Change</b>	Final 2017
<b>Amounts in \$000s</b>	<b>(Oct 2017)</b>	(Sep 2017)		Outlook*
Premium Written	369,711	369,265	446	342,156
Premium Earned	375,584	376,074	(490)	342,151
Incurred Losses	382,987	389,356	(6,369)	422,925
Underwriting & Admin Expense	113,714	116,433	(2,719)	112,562
<b>Net Result from Operations</b>	<b>(121,117)</b>	<b>(129,715)</b>	<b>8,598</b>	<b>(193,336)</b>
<b>Ratios:</b>				
<b>Loss ratio</b> - Prior Accident Years	(30.3%)	(28.8%)	(1.5%)	(8.8%)
- Current Accident Year	132.2%	132.4%	(0.2%)	132.4%
<i>Total</i>	<b>101.9%</b>	<b>103.6%</b>	<b>(1.7%)</b>	<b>123.6%</b>
<b>Underwriting &amp; Admin Expense</b>	<b>30.3%</b>	<b>31.0%</b>	<b>(0.7%)</b>	<b>32.9%</b>
<b>Combined Operating Ratio</b>	<b>132.2%</b>	<b>134.6%</b>	<b>(2.4%)</b>	<b>156.5%</b>

*rounding differences may occur*

\*as posted to FA's website Sep. 28, 2016

This updated projection to the end of the year has improved by \$8.6 million from the projection provided last month (see table above), mainly due to the impact of the valuation as at September 30, 2017, as summarized in the table below (see more information under “Effect of Quarterly Valuation” on page 6). Remaining differences were driven by changes in projected premium volumes, and the associated impacts on claims and expense projections. Variances in written/earned premium and prior accident year impacts (driven by valuation results) are the main drivers of variances from the Final 2017 Outlook (which was based on actuals up to the August 2016 Operational Report).

Ontario	unfav / (fav) projected for full year						year EP 375,584 (projected this month)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % full year EP from changes in:					
	ults & payout patterns			dsct rate		margins	ults & payout patterns			dsct rate		margins
	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL
	[1]	[2]	[3]	[4]	[5]	[6]	[1]	[2]	[3]	[4]	[5]	[6]
PAYs	3,067	540	3,607	(9,777)	-	(6,170)	0.8%	0.1%	1.0%	(2.6%)	-	(1.6%)
CAY	5,274	5	5,279	(5,781)	-	(502)	1.4%	-	1.4%	(1.5%)	-	(0.1%)
Prem Def	3	8	11	(3,513)	-	(3,502)	-	-	-	(0.9%)	-	(0.9%)
<b>TOTAL</b>	<b>8,344</b>	<b>553</b>	<b>8,897</b>	<b>(19,071)</b>	<b>-</b>	<b>(10,174)</b>	<b>2.2%</b>	<b>0.1%</b>	<b>2.4%</b>	<b>(5.1%)</b>	<b>-</b>	<b>(2.7%)</b>

**Current Month Results**

The Ontario Risk Sharing Pool produced a -\$4.6 million Operating Result in the month of October 2017, a \$17.6 million improvement compared with the same month last year. This improvement is composed of a \$23.1 million improvement stemming from the overall decrease in the combined ratio (from 185.6% to 114.2% applied to \$32.3 million in earned premium), offset by an estimated \$5.5 million unfavourable impact associated with the \$6.5 million increase in earned premium (at a combined ratio of 185.6%). The primary driver of the difference in combined ratios is the difference in the respective valuation implementation impacts.

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This month's results moved the year-to-date combined operating ratio from 131.4% at the end of 9 months to 129.6% at the end of 10 months. The 1.8 percentage point decrease is composed of a 0.4 percentage point decrease in the Current Accident Year loss ratio, and a 2.5 percentage point decrease in the expense ratio, offset by a 1.1 percentage point increase in the Prior Accident Year loss ratio.

*Variances from Projections*

The table below provides a summary of key components of the operating results as compared to the estimates projected last month.

<b>October 2017</b>	<b>Actual</b>	<b>Projection</b>	<b>Difference</b>	<b>Difference %</b>
Written Premium	25,323	27,669	(2,346)	(8.5%)
Earned Premium	32,307	32,885	(578)	(1.8%)
Reported Losses				
Paid Losses	28,763	31,819	(3,056)	(9.6%)
Paid Expenses	1,912	2,214	(302)	(13.6%)
Change in Outstanding Losses	11,289	3,331	7,958	238.9%
<b>Total Reported Losses</b>	<b>41,964</b>	<b>37,364</b>	<b>4,600</b>	<b>12.3%</b>
Change in IBNR Provision*	(8,447)	3,625	(12,072)	
Change in Premium Deficiency (DPAC)*	(4,566)	(1,136)	(3,430)	

(Amounts in \$000's)

rounding differences may occur

\*Detailed information is included in [Ontario RSP October 2017 Operational Report - Actuarial Highlights](#).

Each month, management reviews the variance between reported premium activity and claims activity (actual reported claims payments and changes in case reserves) and the associated actuarial projections. The projection process involves many assumptions including claims reporting patterns. Actual reporting patterns vary from month-to-month, sometimes considerably. Although variances from our projections are expected, management investigates variances beyond set thresholds and responds as appropriate.

For the month of October 2017, reported losses were \$4.6 million higher than projected. The Current Accident Year had a \$1.4 million favourable variance in reported losses, while the Prior Accident Years had a \$6.0 million unfavourable variance. Of the Prior Accident Years, 1996 had the largest variance in reported losses at \$6.4 million unfavourable, followed by Accident Year 2014 at \$5.9 million unfavourable, Accident Year 2013 at \$1.9 million favourable, Accident Year 2009 at \$1.2 million favourable, Accident Year 2010 at \$1.1 million favourable and Accident Year 2015 at \$1.1 million favourable. No other single Prior Accident Year had a reported loss variance in excess of \$1.0 million.

The variances for claims activity were beyond the set thresholds for the Prior Accident Years for the month. Management investigated paid claims activity and is satisfied that the variances are appropriately accounted for in our current booking process. All other variances were within the

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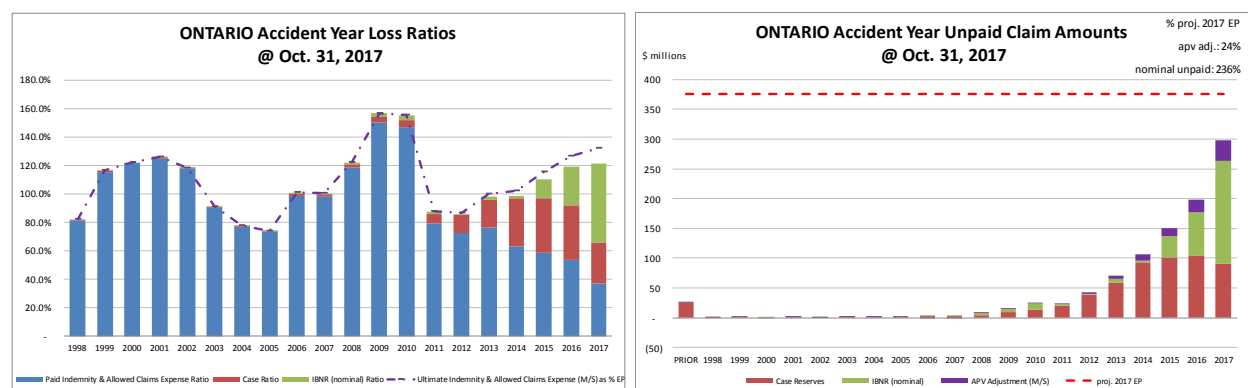
set thresholds for the month.

**Effect of Quarterly Valuation**

The October 2017 Ontario Risk Sharing Pool Operational Report reflects the results of an updated valuation as at September 30, 2017, with the associated impacts in relation to the results for October 2017 summarized in the table below.

Ontario	unfav / (fav) for the month and ytd						mth EP 32,307 (actual)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % mth EP from changes in:					
	ults & payout patterns			dsct rate	margins		ults & payout patterns			dsct rate	margins	
	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL
[1]	[2]	[3]	[4]	[5]	[6]	[1]	[2]	[3]	[4]	[5]	[6]	
PAYs	3,067	571	3,638	(10,324)	-	(6,686)	9.5%	1.8%	11.3%	(32.0%)	-	(20.7%)
CAY	4,396	208	4,604	(5,025)	-	(421)	13.6%	0.6%	14.3%	(15.6%)	-	(1.3%)
Prem Def	816	103	919	(3,701)	-	(2,782)	2.5%	0.3%	2.8%	(11.5%)	-	(8.6%)
<b>TOTAL</b>	<b>8,279</b>	<b>882</b>	<b>9,161</b>	<b>(19,050)</b>	<b>-</b>	<b>(9,889)</b>	<b>25.6%</b>	<b>2.7%</b>	<b>28.4%</b>	<b>(59.0%)</b>	<b>-</b>	<b>(30.6%)</b>

The charts immediately below summarize the current view of the historical loss ratios (indemnity and allowed claims adjustment expenses on a nominal basis) and the associated claims liabilities.

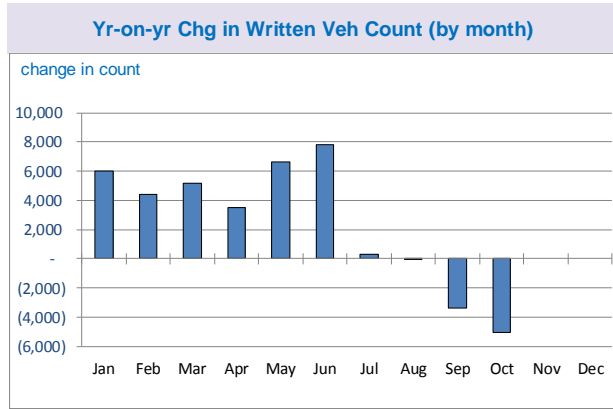


The preceding charts, latest valuation results, and related actuarial present value assumption updates are discussed in more detail in the [Ontario RSP October 2017 Operational Report – Actuarial Highlights](#). The Actuarial Quarterly Valuation Highlights Risk Sharing Pools as at September 30, 2017 are expected to be posted on or before December 15, 2017. The actuarial valuation will be updated next as at December 31, 2017 and we anticipate that the results will be reflected in the March 2018 Operational Report.

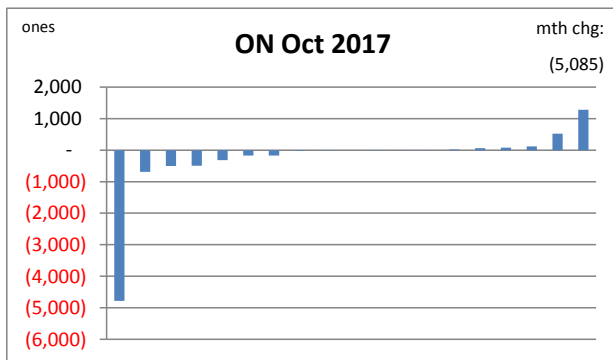
**Management Comments**

For the Ontario RSP, the transfer limit is 5.0% of exposures written in the prior year at the member company group level (that is, within a group under common management or ownership, a single member can transfer the entire transfer limit for the group). System programming prevents member groups from exceeding their transfer limits during a calendar year. However, member groups can transfer their entire limit for a given year at any time throughout the year including, for example, the last day of that year. Our current projection has the 2017 vehicle

count up 9.9% from 2016, being 2.7% of the 2016 industry private passenger vehicle count including farmers (as we don't have an industry count yet for 2017, we continue to use the 2016 count as a proxy). There is the potential for the transferred vehicle count to change dramatically and quickly if member companies choose to take full advantage of their transfer limits.

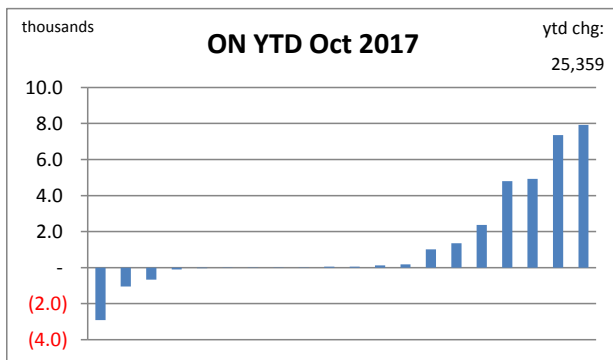


The chart on the left shows the year-on-year change in the vehicles transferred to the pool by month, with October reporting a decrease of 5,085 vehicles. Our projection last month (in part based on previous projections provided by select large pool participants) was for a decrease of 4,213 vehicles, indicating a variance of 872 from the actual transfers. This variance was mainly due to one member company group transferring a lower number of vehicles to the pool in October than projected.



The chart on the left shows the overall change in the month, broken down by member company group changes (each blue bar represents the change for a single member company group), sorted by magnitude of change. Nine member company groups transferred fewer vehicles to the pool this month compared to a year ago, while nine transferred more<sup>2</sup>, and one remained the same. Of the 9 member company groups transferring

fewer vehicles, 1 member company group accounted for 67% of the total transfer decrease for the “decliner” members. Of the 9 member company groups transferring more vehicles, 1 member company group accounted for 61% of the total transfer increases for the “grower” members.



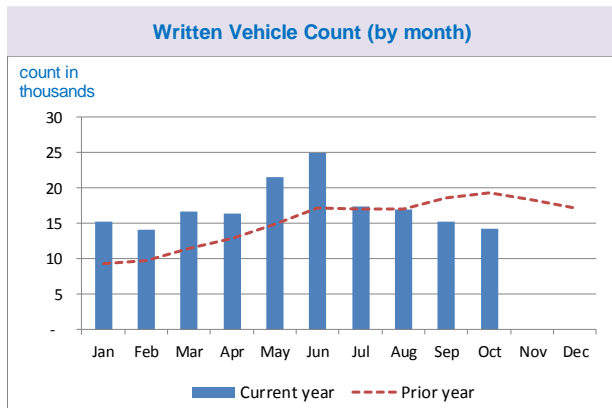
The chart on the left presents the same information as the previous chart, but on a year-to-date basis. That is, it shows the overall change in transfer counts year-to-date, broken down by member company group changes (each blue bar represents the change for a single member company group), sorted by magnitude of change. Year-to-date, 8 member company groups have transferred fewer vehicles from last year as at the same

<sup>2</sup>For the purposes of discussion here, we only include those member company groups that transferred at least one vehicle in either 2016 or 2017. Groups that have not transferred vehicles in these two periods are ignored.

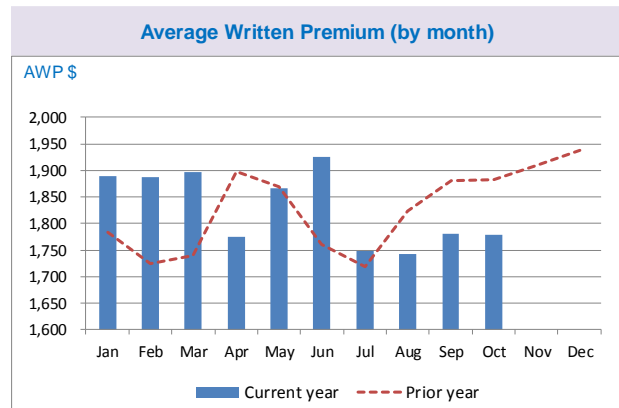
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period, whereas 12 have transferred more.

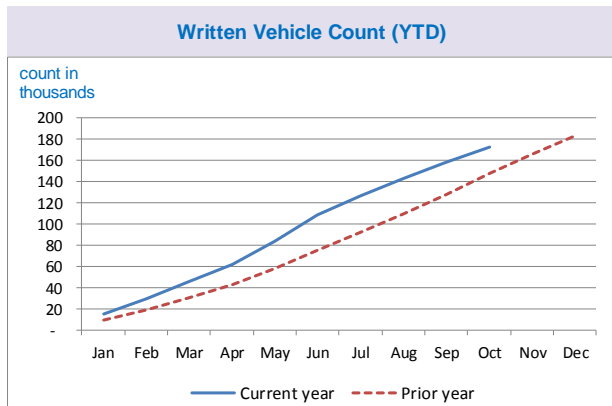
October's year-on-year change in vehicle count transfers to the pool represents a 26.3% decrease from October 2016, but counts were up 17.2% year-to-date. Average written premium was down 5.5% in October 2017 compared with the same month in 2016, but up 1.1% year-to-date (see charts immediately below).



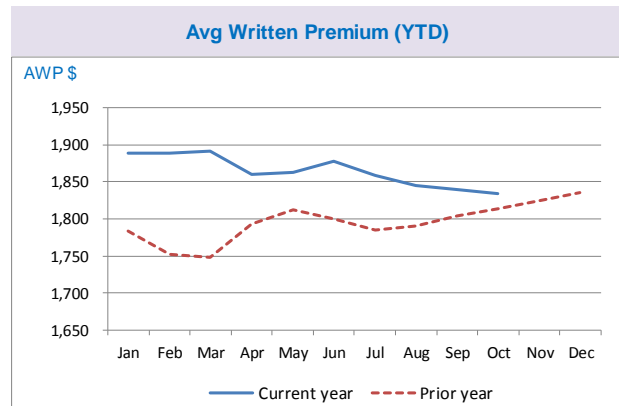
	Oct-17	Oct-16	Amt Chg	% Chg
W. Veh curr mth	14,236	19,321	(5,085)	-26.3%



	Oct-17	Oct-16	Amt Chg	% Chg
AWP curr mth	1,779	1,883	(104)	-5.5%



	Oct-17	Oct-16	Amt Chg	% Chg
W. Vehicles YTD	172,911	147,552	25,359	17.2%

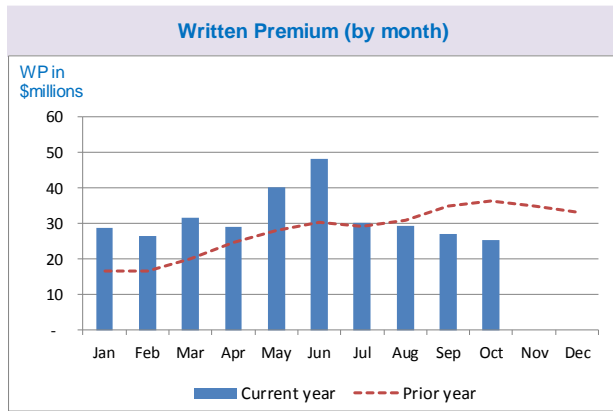


	Oct-17	Oct-16	Amt Chg	% Chg
Avg W. Prem YTD	1,834	1,814	20	1.1%

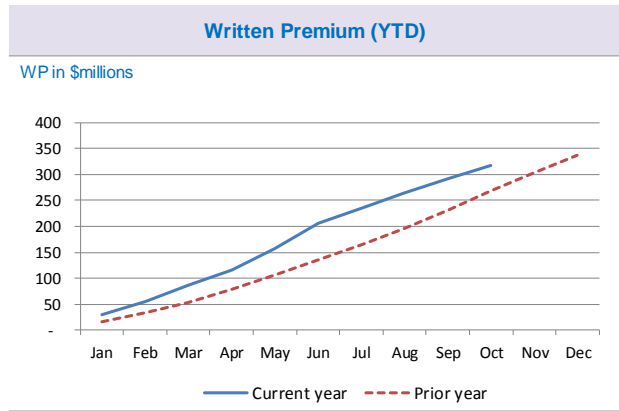
As a result of the movements in transfer vehicle counts and average written premium, the transferred premium was down 30.4% for the month compared with the 24.0% decrease we projected last month, but was up 18.4% year-to-date (see charts at the top of the next page).



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	Oct-17	Oct-16	Amt Chg	% Chg
WP (\$000s) curr mth	25,323	36,389	(11,066)	-30.4%



	Oct-17	Oct-16	Amt Chg	% Chg
WP (\$000s) YTD	317,101	267,721	49,380	18.4%

Should you require any further information, please call Norm Seeney, Vice President, Finance and Member Services at (416) 644-4914.

David J. Simpson, M.B.A., FCIP, C. Dir.  
 President & CEO

**Related links:**

[Ontario RSP October 2017 Operational Report – Actuarial Highlights](#)

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2017**

Risk Sharing Pool - Ontario

Operating Results for the 10 Months Ended October 31, 2017 (Discounted basis)

Source: Monthly Operational Report

(thousands of dollars)

EXHIBIT 1

	January	February	March	April	May	June	July	August	September	October	CY2017 YTD	CY2017 12 MONTHS Updated Projection	CY2016 12 MONTHS Actual
Net Premiums Written	\$28,876	\$26,562	\$31,716	\$29,169	\$40,344	\$48,227	\$30,336	\$29,455	\$27,093	\$25,323	\$317,101	\$369,711	\$336,049
Decrease (Increase) in Unearned Premiums	\$1	\$513	(\$833)	\$1,213	(\$8,307)	(\$15,216)	\$2,787	\$3,619	\$4,944	\$6,984	(\$4,295)	\$5,873	(\$65,186)
<b>Net Premiums Earned</b>	<b>\$28,877</b>	<b>\$27,075</b>	<b>\$30,883</b>	<b>\$30,382</b>	<b>\$32,037</b>	<b>\$33,011</b>	<b>\$33,123</b>	<b>\$33,074</b>	<b>\$32,037</b>	<b>\$32,307</b>	<b>\$312,806</b>	<b>\$375,584</b>	<b>\$270,863</b>
<b>Claims Incurred:</b>													
Prior Accident Years:													
Undiscounted	(\$57)	(\$181)	(\$36,952)	(\$90)	\$4,559	(\$146)	(\$364)	(\$16,452)	\$11	\$3,049	(\$46,623)	(\$46,623)	(\$70,534)
Effect of Discounting	(3,669)	(2,916)	(17,985)	(1,748)	1,150	(2,144)	(1,702)	(22,190)	(1,636)	(11,289)	(64,129)	(67,060)	(36,400)
Discounted	(\$3,726)	(\$3,097)	(\$54,937)	(\$1,838)	\$5,709	(\$2,290)	(\$2,066)	(\$38,642)	(\$1,625)	(\$8,240)	(\$110,752)	(\$113,683)	(\$106,934)
Current Accident Year:													
Undiscounted	\$33,991	\$31,994	\$36,797	\$35,910	\$39,022	\$39,296	\$39,643	\$42,625	\$38,401	\$43,150	\$380,829	\$456,980	\$323,543
Effect of Discounting	5,509	4,205	2,857	4,011	4,656	4,255	4,085	2,877	3,438	(1,393)	34,500	39,690	38,551
Discounted	\$39,500	\$36,199	\$39,654	\$39,921	\$43,678	\$43,551	\$43,728	\$45,502	\$41,839	\$41,757	\$415,329	\$496,670	\$362,094
<b>Claims Incurred</b>	<b>\$35,774</b>	<b>\$33,102</b>	<b>(\$15,283)</b>	<b>\$38,083</b>	<b>\$49,387</b>	<b>\$41,261</b>	<b>\$41,662</b>	<b>\$6,860</b>	<b>\$40,214</b>	<b>\$33,517</b>	<b>\$304,577</b>	<b>\$382,987</b>	<b>\$255,160</b>
<b>Underwriting Expenses:</b>													
Expense Allowance	\$8,709	\$8,005	\$9,598	\$8,938	\$12,275	\$14,620	\$9,367	\$9,049	\$8,306	\$7,795	\$96,662	\$112,183	\$99,733
Change in UPDR/DPAC:													
Undiscounted	45	48	1,238	279	3,393	3,840	273	1,005	(483)	(56)	9,582	7,967	7,831
Effect of Discounting	6	(63)	(3,226)	(113)	1,533	2,319	(308)	(1,723)	(628)	(4,510)	(6,713)	(7,890)	11,309
Discounted	51	(15)	(1,988)	166	4,926	6,159	(35)	(718)	(1,111)	(4,566)	2,869	77	\$19,140
<b>Underwriting Expenses</b>	<b>\$8,760</b>	<b>\$7,990</b>	<b>\$7,610</b>	<b>\$9,104</b>	<b>\$17,201</b>	<b>\$20,779</b>	<b>\$9,332</b>	<b>\$8,331</b>	<b>\$7,195</b>	<b>\$3,229</b>	<b>\$99,531</b>	<b>\$112,260</b>	<b>\$118,873</b>
<b>Net Underwriting Gain (Loss)</b>	<b>(\$15,657)</b>	<b>(\$14,017)</b>	<b>\$38,556</b>	<b>(\$16,805)</b>	<b>(\$34,551)</b>	<b>(\$29,029)</b>	<b>(\$17,871)</b>	<b>\$17,883</b>	<b>(\$15,372)</b>	<b>(\$4,439)</b>	<b>(\$91,302)</b>	<b>(\$119,663)</b>	<b>(\$103,170)</b>
<b>Administrative Expenses</b>	<b>\$110</b>	<b>\$121</b>	<b>\$111</b>	<b>\$131</b>	<b>\$142</b>	<b>\$115</b>	<b>\$105</b>	<b>\$114</b>	<b>\$100</b>	<b>\$115</b>	<b>\$1,164</b>	<b>\$1,454</b>	<b>\$1,308</b>
<b>Operating Result</b>	<b>(\$15,767)</b>	<b>(\$14,138)</b>	<b>\$38,445</b>	<b>(\$16,936)</b>	<b>(\$34,693)</b>	<b>(\$29,144)</b>	<b>(\$17,976)</b>	<b>\$17,769</b>	<b>(\$15,472)</b>	<b>(\$4,554)</b>	<b>(\$92,466)</b>	<b>(\$121,117)</b>	<b>(\$104,478)</b>
<b>Ratios:</b>													
<b>Claims &amp; Expenses Incurred (Earned)</b>													
Prior Accident Years	-12.9%	-11.4%	-177.9%	-6.0%	17.8%	-6.9%	-6.2%	-116.8%	-5.1%	-25.5%	-35.4%	-30.3%	-39.5%
Current Accident Year	136.8%	133.7%	128.4%	131.4%	136.3%	131.9%	132.0%	137.6%	130.6%	129.3%	132.8%	132.2%	133.7%
All Accident Years Combined	123.9%	122.3%	-49.5%	125.4%	154.1%	125.0%	125.8%	20.8%	125.5%	103.8%	97.4%	101.9%	94.2%
Underwriting & Administrative Expenses (Earned)	30.7%	30.0%	25.0%	30.4%	54.1%	63.3%	28.5%	25.5%	22.8%	10.4%	32.2%	30.3%	44.4%
<b>Combined Operating Ratio</b>	<b>154.6%</b>	<b>152.3%</b>	<b>-24.5%</b>	<b>155.8%</b>	<b>208.2%</b>	<b>188.3%</b>	<b>154.3%</b>	<b>46.3%</b>	<b>148.3%</b>	<b>114.2%</b>	<b>129.6%</b>	<b>132.2%</b>	<b>138.6%</b>

Note: Amounts shown above do not reflect costs incurred directly by member companies e.g. income and premium taxes, health levies, association dues, cost of capital as a result of their compulsory participation in Facility Association and investment income earned on Facility Association premium dollars invested directly by members.

Rounding difference may apply