



TO: MEMBERS OF THE FACILITY ASSOCIATION

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

BULLETIN NO.: F18 – 043

DATE: JUNE 28, 2018

**SUBJECT: ONTARIO RISK SHARING POOL
– MAY 2018 OPERATIONAL REPORT**

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

Please be advised that the May 2018 Ontario Risk Sharing Pool Operational Report is now available on the Facility Association (FA) Portal at <https://portal.facilityassociation.com>.

New This Month

Annual Update of Member Sharing Ratios

The May 2018 Operational Report reflects the annual update of member sharing ratios for Accident Years 2016, 2017, 2018 and 2019. Please refer to Bulletin [F18-048](#) for additional information.

Valuation

A valuation of the Ontario RSP as at March 31, 2018 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 **\$4.6 million favourable** impact on the month's net result from operations, subtracting an estimated 3.1 points from the year-to-date Combined Operating Ratio (ending at 152.2%). The impact on the month's results is summarized in the table at the top of the next page¹.

¹In the tables, "ults & payout patterns" refers to the impacts associated with changes in selected ultimates and updated cashflows of claims payments; "dscst 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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Ontario	unfav / (fav) for the month and ytd						ytd EP 147,425 (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	5,689	(1,993)	3,696	(4,104)	-	(408)	3.9%	(1.4%)	2.5%	(2.8%)	-	(0.3%)
CAY	(296)	(173)	(469)	(792)	-	(1,261)	(0.2%)	(0.1%)	(0.3%)	(0.5%)	-	(0.9%)
Prem Def	(1,457)	(564)	(2,021)	(950)	-	(2,971)	(1.0%)	(0.4%)	(1.4%)	(0.6%)	-	(2.0%)
TOTAL	3,936	(2,730)	1,206	(5,846)	-	(4,640)	2.7%	(1.9%)	0.8%	(4.0%)	-	(3.1%)

The valuation result is due to changes generated from updated nominal ultimate selections and projected cash flows (generating a \$1.2 million unfavourable impact – see column [3] in the left table above), offset by the impact due to a 16 basis point increase in the selected discount rate (from 1.73% to 1.89% generating a \$5.8 million favourable impact – see column [4] in the left table above). 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 above).

Management has observed favourable total valuation impacts over the last 12 valuation implementations, with only 2 valuation implementations being unfavourable over that 12-quarter period, as shown in the table immediately below (summarizing the same information as provided in the left table above as relates to the most recent 12 valuation implementations). It should be noted that the impacts in column [3] are largely outside of the control of FA (as being related to macroeconomic factors).

RSP: Ontario, as at: 2018 Q1		unfavourable / (favourable) Valuation Implementation Impact (\$000s)					\$000s		
Valuation	period implemented	updated LR & exp	APVs @ prior assumptions	updated dsct rate	updated margins	Total Impact	Booked Policy Liabilities	Total Impact as % Book Liabs	Nominal Impact as % Book Liabs
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
						= sum([1] to [5])		= [5] / [6]	= [1] / [6]
2015 Q2	Aug 2015	(50,090)	(8,485)	(12,573)	(17,845)	(88,993)	1,211,700	(7.3%)	(4.1%)
2015 Q3	Oct 2015	(40,983)	(5,717)	8,493	-	(38,207)	1,185,206	(3.2%)	(3.5%)
2015 Q4	Mar 2016	(49,197)	(2,815)	2,623	-	(49,389)	1,116,877	(4.4%)	(4.4%)
2016 Q1	May 2016	(5,109)	(214)	3,318	-	(2,005)	1,137,087	(0.2%)	(0.4%)
2016 Q2	Aug 2016	(18,614)	(528)	4,692	(14,996)	(29,446)	1,142,149	(2.6%)	(1.6%)
2016 Q3	Oct 2016	1,048	(965)	1,885	-	1,968	1,184,757	0.2%	0.1%
2016 Q4	Mar 2017	(35,665)	(2,640)	(17,825)	-	(56,130)	1,174,423	(4.8%)	(3.0%)
2017 Q1	May 2017	6,929	646	3,204	-	10,779	1,224,460	0.9%	0.6%
2017 Q2	Aug 2017	(12,256)	(2,265)	(7,162)	(13,084)	(34,767)	1,242,002	(2.8%)	(1.0%)
2017 Q3	Oct 2017	8,279	882	(19,050)	-	(9,889)	1,235,584	(0.8%)	0.7%
2017 Q4	Mar 2018	(10,194)	3,623	1,101	-	(5,470)	1,235,959	(0.4%)	(0.8%)
2018 Q1	May 2018	3,936	(2,730)	(5,846)	-	(4,640)	1,265,737	(0.4%)	0.3%
12-qtrs		(201,916)	(21,208)	(37,140)	(45,925)	(306,189)			
% of total		65.9%	6.9%	12.1%	15.0%	100.0%			
Averages									
12-qtrs		(16,826)	(1,767)	(3,095)	(3,827)	(25,516)	1,196,328	(2.1%)	(1.4%)
2015 Q2 to 2017 Q1		(23,960)	(2,590)	(773)	(4,105)	(31,428)	1,172,082	(2.7%)	(2.0%)
2017 Q2 to 2018 Q1		(2,559)	(123)	(7,739)	(3,271)	(13,692)	1,244,821	(1.1%)	(0.2%)

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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 [1] 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 (90%) smaller than the earliest 8 valuations shown. Further, the nominal impacts, as a percentage of booked policy liabilities, should ideally be small (less than 2.5%) – this percentage is provided in column [8] above, and, while 4 of the 12 valuation implementations above indicate an impact greater than 2.5%, 3 of the 4 were for the 2015 valuation periods, with the overall average impact at 1.4% being below the 2.5% level. Finally, potential “bias” in the nominal impacts should be considered (per either column [1] or [8]). We generally anticipate approximately 1/3rd of nominal valuation impacts will be unfavourable, and 2/3^{ds} will be favourable (due to the skewness of the development), and there seems to evidence of improvement in this measure toward less bias.

In summary, we believe the nominal valuation impacts are moving toward our target impacts (long term zero impact; individual valuation impact of no more than 2.5% of policy liabilities; no bias evident).

Please see “Effect of Quarterly Valuation” on page 7 for additional valuation result detail.

Summary of Financial Results

The calendar year-to-date Operating Result is -\$76.9 million and the incurred loss ratio to the end of 5 months is 120.3%, as summarized in the table below.

Amounts in \$000s	May 2018	May 2017	Year to date May 2018	Year to Date May 2017
Premium Written	35,308	40,344	142,350	156,667
Premium Earned	30,389	32,037	147,425	149,254
Incurred Losses	38,270	49,387	177,319	141,063
Underwriting & Admin Expense	10,521	17,343	46,990	51,280
Operating Result	(18,402)	(34,693)	(76,884)	(43,089)
Ratios:				
Loss ratio - Prior Accident Years	(6.7%)	17.8%	(17.5%)	(38.8%)
- Current Accident Year	132.6%	136.3%	137.8%	133.3%
<i>Total</i>	125.9%	154.1%	120.3%	94.5%
<i>Underwriting & Admin Expense</i>	34.6%	54.1%	31.9%	34.4%
<i>Combined Operating Ratio</i>	160.5%	208.2%	152.2%	128.9%

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 2018” attached to this bulletin.

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Updated Projection to Year-end 2018

The projected calendar year Operating Result to December 2018 is -\$246.0 million and the estimated combined operating ratio to December 2018 is 166.8%, as summarized in the table below.

ON RSP 2018 Yr-end Projection	Current	Prior Mth		Final 2018
Amounts in \$000s	(May 2018)	(Apr 2018)	Change	Outlook*
Premium Written	408,191	430,776	(22,585)	413,190
Premium Earned	367,999	374,034	(6,035)	382,147
Incurred Losses	465,392	475,710	(10,318)	487,967
Underwriting & Admin Expense	148,581	174,066	(25,485)	147,584
Net Result from Operations	(245,974)	(275,742)	29,768	(253,404)
Ratios:				
Loss ratio - Prior Accident Years	(10.0%)	(10.0%)	0.0%	(7.5%)
- Current Accident Year	136.4%	137.2%	(0.8%)	135.2%
<i>Total</i>	126.4%	127.2%	(0.8%)	127.7%
Underwriting & Admin Expense	40.4%	46.5%	(6.1%)	38.6%
Combined Operating Ratio	166.8%	173.7%	(6.9%)	166.3%

rounding differences may occur

*as posted to FA's website Oct. 3, 2017

This updated projection to the end of the year has improved by \$29.8 million from the projection provided last month (-\$275.7 million and 173.7%), partially due to the overall \$13.6 million favourable impact of the valuation as at March 31, 2018, as summarized in the table immediately below (see more information under “Effect of Quarterly Valuation” on page 7). Remaining differences were driven by changes in projected premium volumes, and the associated impacts on claims and expense projections. In particular, there has been a \$22.6 million (5.2%) reduction in projected written premium, primarily due to one member’s significant reduction in their transfer projection.

Ontario	unfav / (fav) projected for full year						year EP 367,999 (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		TOTAL	ults & payout patterns		dsct rate	margins		TOTAL
	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	5,689	(1,628)	4,061	(3,508)	-	553	1.5%	(0.4%)	1.1%	(1.0%)	-	0.2%
CAY	(738)	(371)	(1,109)	(1,818)	-	(2,927)	(0.2%)	(0.1%)	(0.3%)	(0.5%)	-	(0.8%)
Prem Def	(8,607)	(1,409)	(10,016)	(1,216)	-	(11,232)	(2.3%)	(0.4%)	(2.7%)	(0.3%)	-	(3.1%)
TOTAL	(3,656)	(3,408)	(7,064)	(6,542)	-	(13,606)	(1.0%)	(0.9%)	(1.9%)	(1.8%)	-	(3.7%)

Current Month Results

The Ontario Risk Sharing Pool produced an -\$18.4 million Operating Result in the month of May 2018, a \$16.3 million improvement compared with the same month last year. This

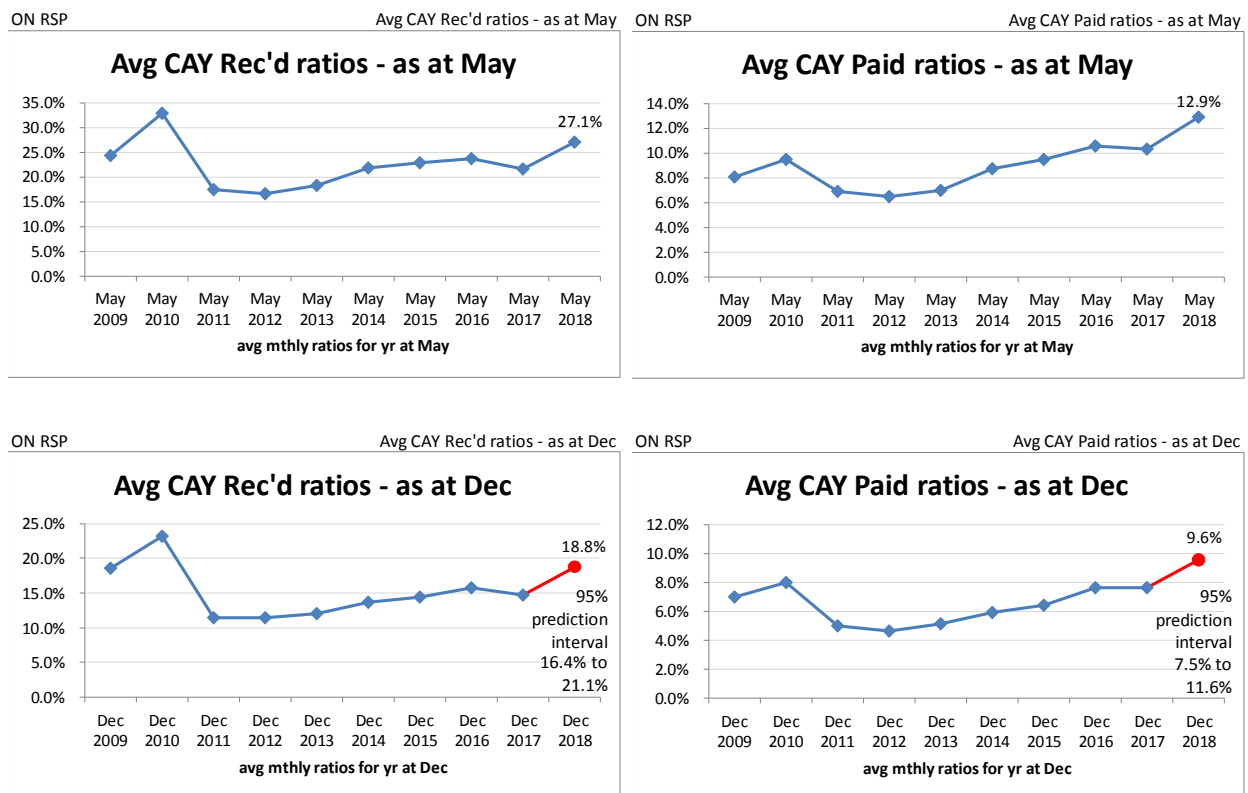
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improvement is composed of a \$1.8 million favourable impact associated with the \$1.6 million decrease in earned premium (at a combined ratio of 208.2%), with the remaining \$14.5 million improvement stemming from the overall decrease in the combined ratio (from 208.2% to 160.5% applied to \$30.4 million in earned premium). The primary driver of the difference in combined ratios is the difference in the respective valuation implementation impacts.

This month's results moved the year-to-date combined operating ratio from 150.0% at the end of 4 months to 152.2% at the end of 5 months. The 2.2 percentage point increase is composed of a 2.8 percentage point increase in the Prior Accident Year loss ratio and a 0.7 percentage point increase in the expense ratio, offset by a 1.3 percentage point decrease in the Current Accident Year loss ratio.

As has been presented and discussed over the past several months in the Actuarial Highlights, the Ontario RSP averages of monthly ratios for the current accident year (CAY) recorded and paid to year-to-date earned premium have been on the rise generally since 2012, as is evident in the charts below. These charts show the average monthly CAY ratio for each calendar year. For example, the lower charts (as at Dec) provide the average of the 12 monthly-ratios (i.e. Jan, Feb, ... Dec) for each calendar year, whereas the upper charts (as at May) provide the average of the 5 monthly ratios (i.e. Jan-May) for each calendar year.

Ontario RSP average of monthly CAY claims activity ratios to EP



As indicated above, the monthly average CAY ratios have been increasing each calendar year

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since 2011/2012, and the average ratios for 2018 at May (the average of the ratios for Jan 2018 – May 2018) are at the highest (paid) or second highest level (recorded) over 2009-2018. The monthly average at December we can expect can be projected from the monthly average ratios at May with a fair degree of confidence, and we have included those projections on the lower charts at the bottom of the previous page, along with a 95% prediction interval for those predicted monthly average ratios (note: we are NOT predicting the year-to-date recorded or paid ratio at December, but are instead projecting the average of ratios over the 12 months Jan 2018 – Dec 2018).

These average ratios may be signaling an actual increase in relative claim amounts generally, signaling a change in the pattern of recorded / paid activity, or signaling belated impacts of rate decreases (reducing earned premium level per loss cost level). The CAY recorded activity will be monitored to determine if this is an ongoing trend.

Variances from Projections

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

May 2018	Actual	Projection	Difference	Difference %
Written Premium	35,308	39,165	(3,857)	(9.8%)
Earned Premium	30,389	31,030	(641)	(2.1%)
Reported Losses				
Paid Losses	26,647	28,490	(1,843)	(6.5%)
Paid Expenses	1,456	2,343	(887)	(37.9%)
Change in Outstanding Losses	7,658	(2,233)	9,891	(442.9%)
Total Reported Losses	35,761	28,600	7,161	25.0%
Change in IBNR Provision*	2,509	11,910	(9,401)	
Change in Premium Deficiency (DPAC)*	(291)	4,029	(4,320)	

(Amounts in \$000's)

rounding differences may occur

*Detailed information is included in [Ontario RSP May 2018 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 May 2018, reported losses were \$7.2 million higher than projected. The Current Accident Year had a \$0.4 million unfavourable variance in reported losses, and the Prior Accident Years had a \$6.8 million unfavourable variance. Of the Prior Accident Years, 2017 had the largest variance in reported losses at \$2.0 million unfavourable, followed by Accident

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Year 2016 at a \$1.5 million unfavourable and Accident Year 2011 at a \$1.3 million unfavourable. No other single Prior Accident Year had a reported loss variance in excess of \$1.0 million.

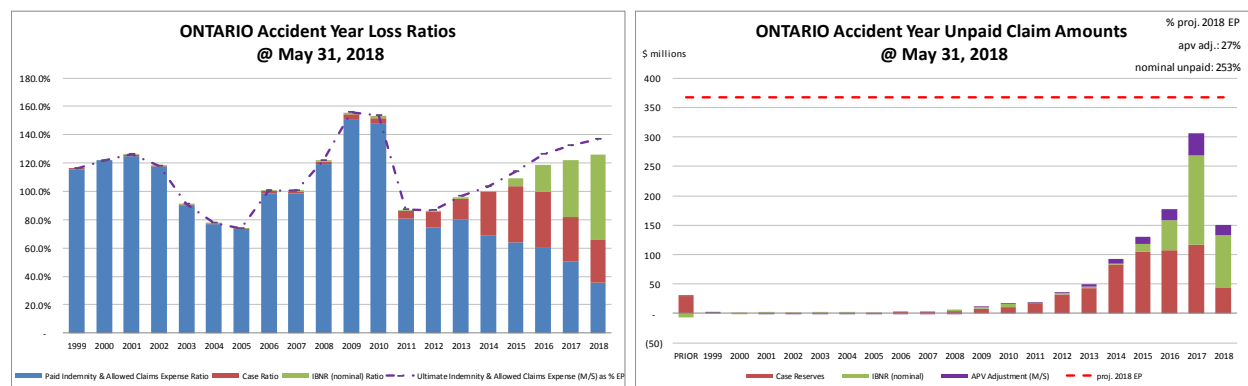
The variances for claims activity were beyond the set thresholds for the Prior Accident Years for the month. Management investigated paid claims activity and is satisfied that the variances are appropriately accounted for in our current booking process. All other variances were within the set thresholds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

Effect of Quarterly Valuation

The May 2018 Ontario Risk Sharing Pool Operational Report reflects the results of an updated valuation as at March 31, 2018, with the associated impacts in relation to the results for May 2018 summarized in the table below.

Ontario	unfav / (fav) for the month and ytd						mth EP 30,389 (actual)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % mth EP from changes in:					
	ults & payout patterns			dsct rate		argins	ults & payout patterns			dsct rate		argins
	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	5,689	(1,993)	3,696	(4,104)	-	(408)	18.7%	(6.6%)	12.2%	(13.5%)	-	(1.3%)
CAY	(296)	(173)	(469)	(792)	-	(1,261)	(1.0%)	(0.6%)	(1.5%)	(2.6%)	-	(4.1%)
Prem Def	(1,457)	(564)	(2,021)	(950)	-	(2,971)	(4.8%)	(1.9%)	(6.7%)	(3.1%)	-	(9.8%)
TOTAL	3,936	(2,730)	1,206	(5,846)	-	(4,640)	13.0%	(9.0%)	4.0%	(19.2%)	-	(15.3%)

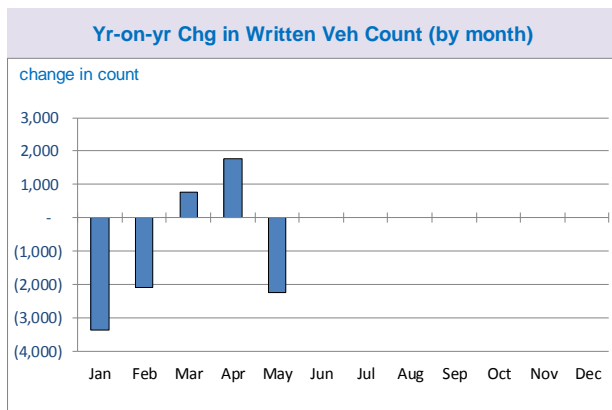
The charts immediately below summarize the current view of the historical loss ratios (indemnity and allowed claims adjustment expenses on a nominal basis) and the associated claims liabilities.



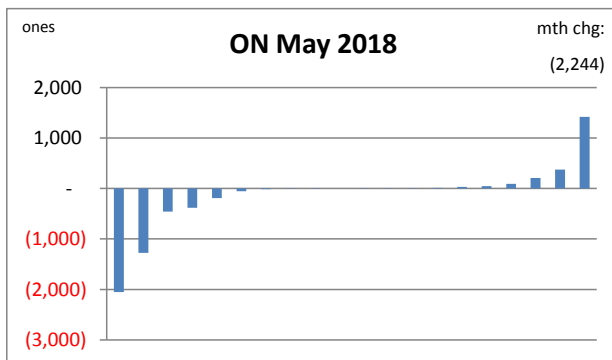
The preceding charts, latest valuation results, and related actuarial present value assumption updates are discussed in more detail in the [Ontario RSP May 2018 Operational Report – Actuarial Highlights](#). The Actuarial Quarterly Valuation Highlights for Risk Sharing Pools as at March 31, 2018 is expected to be posted on or before July 20, 2018. The actuarial valuation will be updated next as at June 30, 2018 and we anticipate that the results will be reflected in the August 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 2018 vehicle count up 8.1% from 2017, being 2.8% of the 7.6 million industry private passenger vehicle count² including farmers on May 2018 Transfer Limit Report (by Entry Date). 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 May reporting a decrease of 2,244 vehicles. Our projection last month (in part based on previous projections provided by select large pool participants) was for a decrease of 916 vehicles, indicating a variance of 1,328 from the actual transfers. This variance was mainly due to one member company group transferring a lower number of vehicles to the pool in May than projected.

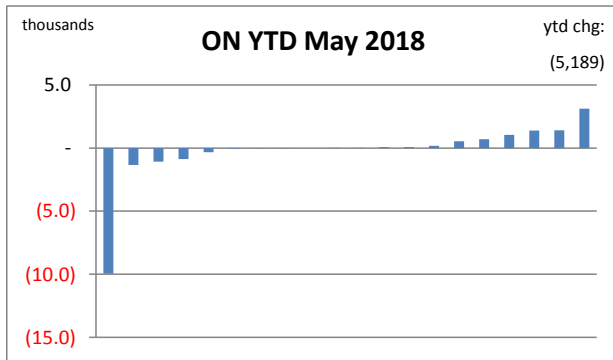


The chart on the left shows the overall change in the month, broken down by member company group changes (each blue bar represents the change for a single member company group), sorted by magnitude of change. Nine member company groups transferred fewer vehicles to the pool this month compared to a year ago, while ten transferred more³, and one remained the same. Of the 9 member company groups transferring fewer vehicles, 2 member company groups

accounted for 75% of the total transfer decrease for the “decliner” members. Of the 10 member company groups transferring more vehicles, 1 member company group accounted for 65% of the total transfer increases for the “grower” members.

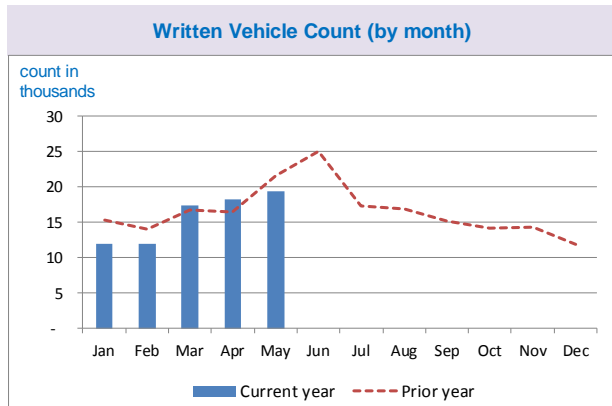
²As we don’t have an industry count yet for 2017, we use the industry count on the Transfer Limit Report (by Entry Date) as a proxy.

³For 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.

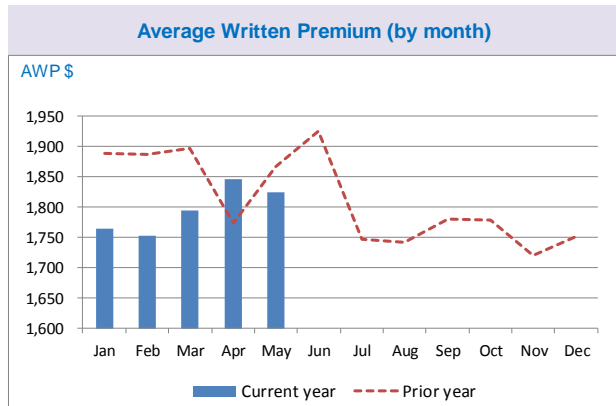


The chart on the left presents the same information as the previous chart, but on a **year-to-date** basis. That is, it shows the overall change in transfer counts year-to-date, broken down by member company group changes (each blue bar represents the change for a single member company group), sorted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

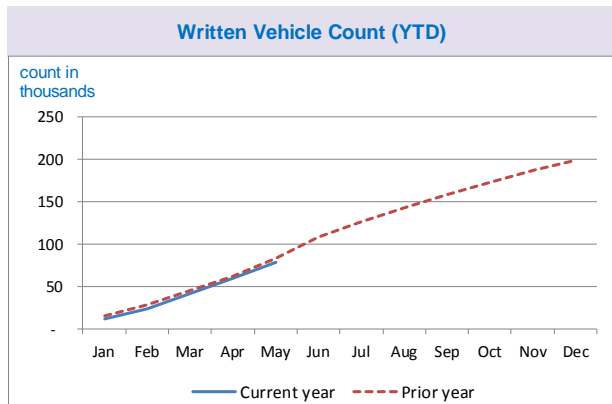
May’s year-on-year change in vehicle count transfers to the pool represents a 10.4% decrease from May 2017, and counts were down 6.2% year-to-date. Average written premium was down 2.3% in May 2018 compared with the same month in 2017, and was down 3.2% year-to-date (see charts immediately below).



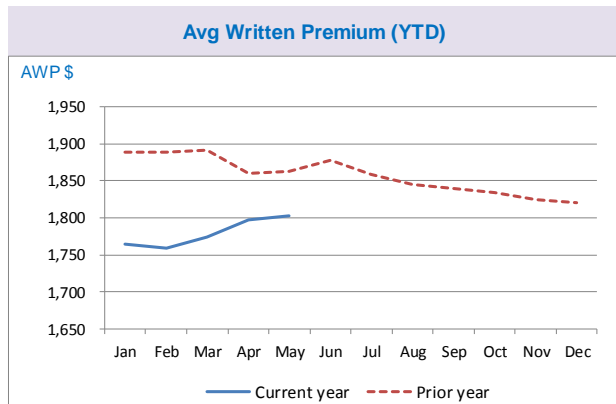
	May-18	May-17	Amt Chg	% Chg
W. Veh curr mth	19,360	21,603	(2,244)	-10.4%



	May-18	May-17	Amt Chg	% Chg
AWP curr mth	1,824	1,867	(43)	-2.3%



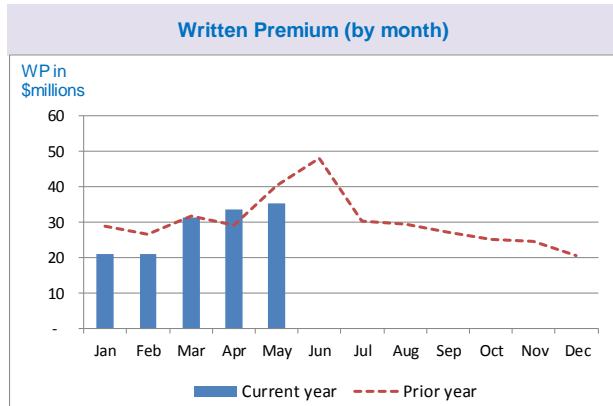
	May-18	May-17	Amt Chg	% Chg
W. Vehicles YTD	78,941	84,130	(5,189)	-6.2%



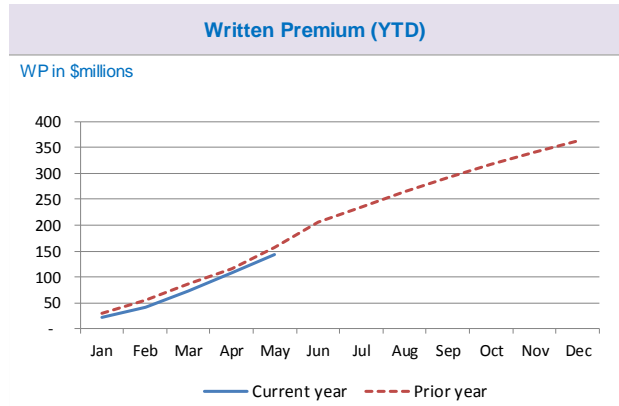
	May-18	May-17	Amt Chg	% Chg
Avg W. Prem YTD	1,803	1,862	(59)	-3.2%

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As a result of the movements in transfer vehicle counts and average written premium, the transferred premium was down 12.5% for the month compared with the 2.9% decrease we projected last month, and was down 9.1% year-to-date (see charts immediately below).



	May-18	May-17	Amt Chg	% Chg
WP (\$000s) curr mth	35,308	40,344	(5,036)	-12.5%



	May-18	May-17	Amt Chg	% Chg
WP (\$000s) YTD	142,350	156,667	(14,317)	-9.1%

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 May 2018 Operational Report – Actuarial Highlights](#)

SUMMARY OF OPERATIONS - CALENDAR YEAR 2018

Risk Sharing Pool - Ontario

Operating Results for the 5 Months Ended May 31, 2018 (Discounted basis)

Source: Monthly Operational Report
(thousands of dollars)

EXHIBIT 1

	January	February	March	April	May	CY2018 YTD	CY2018 12 MONTHS Updated Projection	CY2017 12 MONTHS Actual
Net Premiums Written	\$21,028	\$21,024	\$31,369	\$33,621	\$35,308	\$142,350	\$408,191	\$362,505
Decrease (Increase) in Unearned Premiums	9,392	6,076	(1,234)	(\$4,240)	(\$4,919)	5,075	(40,192)	11,153
Net Premiums Earned	\$30,420	\$27,100	\$30,135	\$29,381	\$30,389	\$147,425	\$367,999	\$373,658
Claims Incurred:								
Prior Accident Years:								
Undiscounted	(\$355)	(\$265)	(\$18,967)	(\$100)	\$5,608	(\$14,079)	(\$14,079)	(\$47,673)
Effect of Discounting	(1,690)	(2,018)	1,563	(1,955)	(7,643)	(11,743)	(22,661)	(66,431)
Discounted	(\$2,045)	(\$2,283)	(\$17,404)	(\$2,055)	(\$2,035)	(\$25,822)	(\$36,740)	(\$114,104)
Current Accident Year:								
Undiscounted	\$37,624	\$33,465	\$40,131	\$37,097	\$38,045	\$186,362	\$463,623	\$455,722
Effect of Discounting	4,409	3,028	3,679	3,403	2,260	16,779	38,509	39,948
Discounted	\$42,033	\$36,493	\$43,810	\$40,500	\$40,305	\$203,141	\$502,132	\$495,670
Claims Incurred	\$39,988	\$34,210	\$26,406	\$38,445	\$38,270	\$177,319	\$465,392	\$381,566
Underwriting Expenses:								
Expense Allowance	\$6,354	\$6,376	\$9,366	\$9,971	\$10,685	\$42,752	\$122,239	\$110,765
Change in UPDR/DPAC:								
Undiscounted	(2,100)	(1,273)	6,072	1,589	525	4,813	19,899	6,769
Effect of Discounting	(1,151)	(734)	974	589	(816)	(1,138)	4,589	(8,538)
Discounted	(3,251)	(2,007)	7,046	2,178	(291)	3,675	24,488	(\$1,769)
Underwriting Expenses	\$3,103	\$4,369	\$16,412	\$12,149	\$10,394	\$46,427	\$146,727	\$108,996
Net Underwriting Gain (Loss)	(\$12,671)	(\$11,479)	(\$12,683)	(\$21,213)	(\$18,275)	(\$76,321)	(\$244,120)	(\$116,904)
Administrative Expenses	\$82	\$124	\$128	\$102	\$127	\$563	\$1,854	\$1,430
Operating Result	(\$12,753)	(\$11,603)	(\$12,811)	(\$21,315)	(\$18,402)	(\$76,884)	(\$245,974)	(\$118,334)
Ratios:								
Claims & Expenses Incurred (Earned)								
Prior Accident Years	-6.7%	-8.4%	-57.8%	-7.0%	-6.7%	-17.5%	-10.0%	-30.5%
Current Accident Year	138.2%	134.7%	145.4%	137.8%	132.6%	137.8%	136.4%	132.7%
All Accident Years Combined	131.5%	126.3%	87.6%	130.8%	125.9%	120.3%	126.4%	102.2%
Underwriting & Administrative Expenses (Earned)	10.5%	16.6%	54.9%	41.7%	34.6%	31.9%	40.4%	29.6%
Combined Operating Ratio	142.0%	142.9%	142.5%	172.5%	160.5%	152.2%	166.8%	131.8%

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