

MARYLAND JOINT INSURANCE ASSOCIATION
COMPARATIVE INCOME STATEMENT AND EQUITY ACCOUNT

<u>DESCRIPTION</u>	9 MONTHS ENDING <u>6/30/2019</u>	PERCENT OF PREMIUMS <u>EARNED</u>	9 MONTHS ENDING <u>6/30/2018</u>	PERCENT OF PREMIUMS <u>EARNED</u>
<u>UNDERWRITING INCOME:</u>				
PREMIUMS WRITTEN	603,564		663,127	
PREMIUMS EARNED	<u>639,356</u>		<u>732,170</u>	
<u>DEDUCTIONS:</u>				
LOSSES INCURRED	230,221	36.01	266,683	36.42
LOSS EXPENSE INCURRED	105,689	16.53	124,162	16.96
COMMISSIONS	35,034	5.48	37,443	5.11
OPERATING EXPENSES INCURRED	655,856	102.58	702,799	95.99
PREMIUM TAXES INCURRED	<u>12,071</u>	<u>1.89</u>	<u>13,263</u>	<u>1.81</u>
TOTAL DEDUCTIONS	<u>1,038,871</u>	<u>162.49</u>	<u>1,144,350</u>	<u>156.30</u>
NET UNDERWRITING GAIN OR (LOSS)	<u>(399,515)</u>		<u>(412,180)</u>	
<u>OTHER INCOME OR (OUTGO)</u>				
NET INVESTMENT INCOME	-		-	
MISCELLANEOUS INCOME	<u>111,043</u>		<u>8,105</u>	
TOTAL OTHER INCOME OR (OUTGO)	<u>111,043</u>		<u>8,105</u>	
<u>EQUITY ACCOUNT:</u>				
BEGINNING MEMBERS EQUITY (DEFICIT)	(493,192)		(209,889)	
NET INCOME OR (LOSS)	(288,472)		(404,075)	
CHANGE IN MINIMUM PENSION LIABILITY	-		-	
UNASSIGNED FUNDS (PENSION)	-		-	
UNASSIGNED FUNDS (ACCUM POST RET BEN)	-		-	
CHANGE IN ASSETS NOT ADMITTED	9,754		12,346	
CHANGES TO PENSION & APRB REPORTING	-		-	
PRIOR PERIOD CHANGES POST AUDIT	-		(7,618)	
ASSESSMENTS OR (DISTRIBUTIONS)	<u>2,000,000</u>		<u>-</u>	
ENDING MEMBERS' EQUITY (DEFICIT)	<u><u>1,228,090</u></u>		<u><u>(609,236)</u></u>	

MARYLAND JOINT INSURANCE ASSOCIATION
COMPARATIVE BALANCE SHEETS FOR THE
PERIODS ENDED

<u>DESCRIPTION</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>CHANGE</u>
<u>ASSETS:</u>			
CASH	3,040,767	1,690,100	1,350,667
DCPIF MANAGEMENT FEES RECEIVABLE	32,916	27,593	5,323
ASSESSMENTS RECEIVABLE	56,940	-	56,940
INSTALLMENT PREMIUM RECEIVABLE	39,376	59,238	(19,862)
PRODUCER COMMISSION RECEIVABLE	-	117	(117)
MISCELLANEOUS RECEIVABLES	-	414	(414)
FIXED ASSETS	-	16,936	(16,936)
PREMIUM TAX RECEIVABLE	160	-	160
TOTAL ASSETS	<u><u>3,170,159</u></u>	<u><u>1,794,398</u></u>	<u><u>1,375,761</u></u>
<u>LIABILITIES AND EQUITY:</u>			
<u>RESERVE FOR</u>			
UNEARNED PREMIUM	436,995	491,002	(54,007)
ADVANCE PREMIUM	-	-	-
UNPAID LOSSES	147,410	128,649	18,761
UNPAID LOSS ADJUSTMENT EXPENSE	48,147	45,178	2,969
UNPAID PREMIUM TAXES	-	334	(334)
COMMISSIONS PAYABLE	5,694	8,392	(2,698)
<u>OPERATING EXPENSES:</u>			
ACCRUED EXPENSES / ACCOUNTS PAYABLE	71,526	59,331	12,195
POST RETIREMENT BENEFITS	976,010	1,141,377	(165,367)
PENSION LIABILITY	247,565	524,196	(276,631)
OTHER	-	-	-
AMOUNTS WITHHELD FOR OTHERS	<u>8,722</u>	<u>5,175</u>	<u>3,547</u>
TOTAL LIABILITIES	<u><u>1,942,069</u></u>	<u><u>2,403,634</u></u>	<u><u>(461,565)</u></u>
MEMBERS' EQUITY (DEFICIT)	<u><u>1,228,090</u></u>	<u><u>(609,236)</u></u>	<u><u>1,837,326</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>3,170,159</u></u>	<u><u>1,794,398</u></u>	<u><u>1,375,761</u></u>

MARYLAND JOINT INSURANCE ASSOCIATION
BALANCE SHEET
June 30, 2019

<u>DESCRIPTION</u>	<u>LEDGER ASSETS</u>	<u>NON-LEDGER ASSETS</u>	<u>ASSETS NOT ADMITTED</u>	<u>ADMITTED ASSETS</u>
<u>ASSETS:</u>				
CASH	3,040,767			3,040,767
DCPIF MANAGEMENT FEES RECEIVABLE	32,916			32,916
ASSESSMENTS RECEIVABLE	56,940			56,940
INSTALLMENT PREMIUM RECEIVABLE	39,683		307	39,376
PREPAID EXPENSES	12,679		12,679	-
PRODUCER COMMISSION RECEIVABLE	-			-
MISCELLANEOUS RECEIVABLES	-			-
FIXED ASSETS	12,295		12,295	-
PREMIUM TAX RECEIVABLE	160			160
TOTAL ASSETS	<u>3,195,440</u>	<u>-</u>	<u>25,281</u>	<u>3,170,159</u>
<u>LIABILITIES AND EQUITY:</u>				
<u>RESERVE FOR</u>				
UNEARNED PREMIUM				436,995
ADVANCE PREMIUM				-
UNPAID LOSSES				147,410
UNPAID LOSS ADJUSTMENT EXPENSE				48,147
UNPAID PREMIUM TAXES				-
COMMISSION PAYABLE				5,694
<u>OPERATING EXPENSES:</u>				
ACCRUED EXPENSES				71,526
POST RETIREMENT BENEFITS				976,010
PENSION LIABILITY				247,565
OTHER				-
AMOUNTS WITHHELD FOR OTHERS				<u>8,722</u>
TOTAL LIABILITIES				<u>1,942,069</u>
MEMBERS' EQUITY (DEFICIT)				<u>1,228,090</u>
TOTAL LIABILITIES AND EQUITY				<u>3,170,159</u>

MARYLAND JOINT INSURANCE ASSOCIATION
INCOME STATEMENT AND EQUITY ACCOUNT
June 30, 2019

	<u>QUARTER</u>	<u>YEAR-TO-DATE</u>
<u>UNDERWRITING INCOME:</u>		
PREMIUMS EARNED	<u>206,732</u>	<u>639,356</u>
<u>DEDUCTIONS:</u>		
LOSSES INCURRED	82,811	230,221
LOSS EXPENSES INCURRED	48,595	105,689
COMMISSIONS	11,703	35,034
OPERATING EXPENSES INCURRED	219,095	655,856
PREMIUM TAXES INCURRED	<u>4,315</u>	<u>12,071</u>
TOTAL DEDUCTIONS	<u>366,519</u>	<u>1,038,871</u>
NET UNDERWRITING GAIN OR (LOSS)	<u>(159,787)</u>	<u>(399,515)</u>
<u>OTHER INCOME OR (OUTGO):</u>		
NET INVESTMENT INCOME	-	-
MISCELLANEOUS INCOME	<u>103,099</u>	<u>111,043</u>
	<u>103,099</u>	<u>111,043</u>
<u>EQUITY ACCOUNT:</u>		
BEGINNING MEMBERS' EQUITY (DEFICIT)	(722,412)	(493,192)
NET INCOME OR (LOSS)	(56,688)	(288,472)
CHANGE IN MINIMUM PENSION LIABILITY	-	-
UNASSIGNED FUNDS (PENSION)	-	-
UNASSIGNED FUNDS (ACCUM POST RET BEN)	-	-
CHANGE IN ASSETS NOT ADMITTED	7,190	9,754
CHANGES TO PENSION & APRB REPORTING	-	-
PRIOR PERIOD CHANGES POST AUDIT	-	-
ASSESSMENTS OR (DISTRIBUTIONS)	<u>2,000,000</u>	<u>2,000,000</u>
NET CHANGE IN EQUITY	<u>1,950,502</u>	<u>1,721,282</u>
ENDING MEMBERS' EQUITY (DEFICIT)	<u><u>1,228,090</u></u>	<u><u>1,228,090</u></u>

Maryland Joint Insurance Association
Members' Account
The Quarter and Year Ending June 30, 2019

Exhibit 3A

		Quarter-To-Date					Year-To-Date						
Item	Description	Policy Year			ADVANCE		Total	Policy Year			ADVANCE		Total
		2015	2016	2017	2018	2019		2020	2015	2016	2017	2018	
<u>Income Received:</u>													
1	Premiums Written				(3,107)	218,873	215,766				(23,029)	626,593	603,564
2	Interest						-						-
3	Miscellaneous					103,099	103,099					111,043	111,043
4	Total Income Received				(3,107)	321,972	318,865				(23,029)	737,636	714,607
<u>Expenses Paid:</u>													
5	Losses				54,910	5,276	60,186			15,344	251,444	14,453	281,241
6	Loss Adjustment Expenses			296	20,946	22,385	43,627		351	4,685	63,914	51,173	120,123
7	Commissions				(87)	11,790	11,703				(992)	36,026	35,034
8	Operating Expenses			-	5,800	206,382	212,182	10,845	2,724	2,618.00	33,074	613,296	662,557
9	Premium Taxes					8,013	8,013			(126)	4,771	8,013	12,658
10	Total Expenses Paid			296	81,569	253,846	335,711	10,845	3,075	22,521	352,211	722,961	1,111,613
11	Net Cash Income			(296)	(84,676)	68,126	(16,846)	(10,845)	(3,075)	(22,521)	(375,240)	14,675	(397,006)
<u>Deduct Ending Reserves For:</u>													
12	Losses				70,833	76,577	147,410				70,833	76,577	147,410
13	Loss Adjustment Expense				20,346	27,801	48,147				20,346	27,801	48,147
14	Operating Expenses				2,850	68,676	71,526				2,850	68,676	71,526
15	Premium Taxes			748	(4,966)	4,058	(160)			748	(4,966)	4,058	(160)
16	Unearned Premiums				25,504	411,491	436,995				25,504	411,491	436,995
<u>Add Beginning Reserves For:</u>													
17	Losses				76,192	48,593	124,785			11,050	187,380		198,430
18	Loss Adjustment Expense				25,063	18,116	43,179			2,700	59,881		62,581
19	Operating Expenses			-	8,650	55,963	64,613	10,845	2,724	2,618	62,040	-	78,227
20	Premium Taxes			748	(4,966)	7,756	3,538			622	(195)		427
21	Unearned Premiums				103,974	323,987	427,961				447,333	25,454	472,787
22	Change In Underwriting Reserves				94,346	(134,188)	(39,842)	10,845	2,724	16,242	641,872	(563,149)	108,534
<u>Other Reserve Changes</u>													
<u>Deduct Beginning Reserves For:</u>													
23	Accrued Investment Interest												
24	Minimum Pension Liability					(638,405)	(638,405)				(638,405)		(638,405)
25	Accum Post Ret Benefits					87,483	87,483				87,483		87,483
26	Non-Admitted Assets					(41,957)	(41,957)				(44,521)		(44,521)
<u>Add Ending Reserves For:</u>													
27	Accrued Investment Interest												
28	Minimum Pension Liability (new method)					(638,405)	(638,405)					(638,405)	(638,405)
29	Accum Post Ret Ben: Unassigned Funds (new method)					87,483	87,483					87,483	87,483
30	Non-Admitted Assets					(34,767)	(34,767)					(34,767)	(34,767)
31	Change In Pension Liability	-	-	-	-	-	-	-	-	-	638,405	(638,405)	-
32	Change in Accum Post Ret Ben						-				(87,483)	87,483	-
33	Change in Non-Admitted Assets					7,190	7,190				44,521	(34,767)	9,754
34	Assessments or (Distributions)				2,000,000		2,000,000				2,000,000		2,000,000
35	PRIOR PERIOD ENTRY: Post Audit Total One-time Changes to Equity	-	-	-	2,000,000	-	2,000,000	-	-	-	2,000,000	-	2,000,000
36	Change In Members' Equity			(296)	2,009,670	(58,872)	1,950,502		(351)	(6,279)	2,862,075	(1,134,163)	1,721,282
37	Beginning Members' Equity (Deficit)	2,233,032	(387,119)	(876,937)	(616,097)	(1,075,291)	(722,412)	2,233,032	(386,768)	(870,954)	(1,468,502)	-	(493,192)
38	Policy Year Rollover												
39	Ending Members' Equity (Deficit)	2,233,032	(387,119)	(877,233)	1,393,573	(1,134,163)	1,228,090	2,233,032	(387,119)	(877,233)	1,393,573	(1,134,163)	1,228,090

Maryland Joint Insurance Association
Statistical Report Of Premiums
The Quarter and Year Ending June 30, 2019

Exhibit 4A

		Quarter-To-Date						Year-To-Date								
Item	Description	Policy Year					ADVANCE	Total	Policy Year					ADVANCE	Total	
		2015	2016	2017	2018	2019	2020		2015	2016	2017	2018	2019	2020		
<u>Premiums Written</u>																
1	Fire				(958)	60,783		59,825				(11,373)	185,542		174,169	
2	Allied Lines				(122)	13,903		13,781				(1,263)	40,133		38,870	
3	Homeowners				(2,027)	144,187		142,160				(10,393)	400,918		390,525	
4	Total	-	-	-	(3,107)	218,873	-	215,766	-	-	-	(23,029)	626,593	-	603,564	
<u>Beginning Unearned Premiums</u>																
5	Fire				25,835	98,234		124,069				125,839	4,653		130,492	
6	Allied Lines				5,756	21,064		26,820				27,146	1,152		28,298	
7	Homeowners				72,383	204,689		277,072				294,348	19,649		313,997	
8	Total	-	-	-	103,974	323,987	-	427,961	-	-	-	447,333	25,454	-	472,787	
<u>Ending Unearned Premiums</u>																
9	Fire				5,536	120,482		126,018				5,536	120,482		126,018	
10	Allied Lines				1,198	26,670		27,868				1,198	26,670		27,868	
11	Homeowners				18,770	264,339		283,109				18,770	264,339		283,109	
12	Total	-	-	-	25,504	411,491	-	436,995	-	-	-	25,504	411,491	-	436,995	
<u>Earned Premiums</u>																
13	Fire				19,341	38,535	-	57,876				108,930	69,713	-	178,643	
14	Allied Lines				4,436	8,297	-	12,733				24,685	14,615	-	39,300	
15	Homeowners				51,586	84,537	-	136,123				265,185	156,228	-	421,413	
16	Total	-	-	-	75,363	131,369	-	206,732	-	-	-	398,800	240,556	-	639,356	

Maryland Joint Insurance Association
Statistical Report Of Losses
The Quarter and Year Ending June 30, 2019

Exhibit 4B

		Quarter-To-Date					
Item	Description	Policy Year					Total
		2015	2016	2017	2018	2019	
<u>Paid Losses</u>							
1	Fire			-	-	-	-
2	Allied Lines			-	-	-	-
3	Homeowners			-	54,910	5,276	60,186
4	Total	-	-	-	54,910	5,276	60,186
<u>Ending Loss Reserves</u>							
5	Fire			-	3,163	15,695	18,858
6	Allied Lines			-	945	4,016	4,961
7	Homeowners			-	66,725	56,866	123,591
8	Total	-	-	-	70,833	76,577	147,410
<u>Beginning Loss Reserves</u>							
9	Fire			-	8,158	8,715	16,873
10	Allied Lines			-	2,662	2,679	5,341
11	Homeowners			-	65,372	37,199	102,571
12	Total	-	-	-	76,192	48,593	124,785
<u>Incurred Losses</u>							
13	Fire			-	(4,995)	6,980	1,985
14	Allied Lines			-	(1,717)	1,337	(380)
15	Homeowners			-	56,263	24,943	81,206
16	Total	-	-	-	49,551	33,260	82,811
<u>Ending IBNR Loss Reserves</u>							
17	Fire				3,163	12,695	15,858
18	Allied Lines				945	4,016	4,961
19	Homeowners				10,200	29,061	39,261
20	Total (Included In Item 8)	-	-	-	14,308	45,772	60,080
<u>Beginning IBNR Loss Reserves</u>							
21	Fire				8,158	8,715	16,873
22	Allied Lines				2,662	2,679	5,341
23	Homeowners				20,136	19,199	39,335
24	Total (Included In Item 12)	-	-	-	30,956	30,593	61,549

Year-To-Date					Total
Policy Year					
2015	2016	2017	2018	2019	
<u>Paid Losses</u>					
		-	-	99	99
		-	-	1,977	1,977
		15,344	251,444	12,377	279,165
-	-	15,344	251,444	14,453	281,241
<u>Ending Loss Reserves</u>					
		-	3,163	15,695	18,858
		-	945	4,016	4,961
		-	66,725	56,866	123,591
-	-	-	70,833	76,577	147,410
<u>Beginning Loss Reserves</u>					
		-	17,056		17,056
		-	13,337		13,337
		11,050	156,987		168,037
-	-	11,050	187,380	-	198,430
<u>Incurred Losses</u>					
		-	(13,893)	15,794	1,901
		-	(12,392)	5,993	(6,399)
		4,294	161,182	69,243	234,719
-	-	4,294	134,897	91,030	230,221
<u>Ending IBNR Loss Reserves</u>					
			3,163	12,695	15,858
			945	4,016	4,961
			10,200	29,061	39,261
-	-	-	14,308	45,772	60,080
<u>Beginning IBNR Loss Reserves</u>					
			17,056		17,056
			5,337		5,337
			40,987		40,987
-	-	-	63,380	-	63,380

Maryland Joint Insurance Association
Statistical Report Of Loss Adjustment Expenses
The Quarter and Year Ending June 30, 2019

Exhibit 4C

Item	Description	Quarter-To-Date					Total
		Policy Year					
		2015	2016	2017	2018	2019	
<u>Paid Loss Expenses</u>							
1	Fire			-	353	3,058	3,411
2	Allied Lines			-	678	2,672	3,350
3	Homeowners			296	19,915	16,655	36,866
4	Total	-	-	296	20,946	22,385	43,627
<u>Ending Loss Expense Reserves</u>							
5	Fire			-	855	3,840	4,695
6	Allied Lines			-	698	2,969	3,667
7	Homeowners			-	18,793	20,992	39,785
8	Total	-	-	-	20,346	27,801	48,147
<u>Beginning Loss Expense Reserves</u>							
9	Fire			-	2,207	2,357	4,564
10	Allied Lines			-	1,967	1,980	3,947
11	Homeowners				20,889	13,779	34,668
12	Total	-	-	-	25,063	18,116	43,179
<u>Incurred Loss Expenses</u>							
13	Fire			-	(999)	4,541	3,542
14	Allied Lines			-	(591)	3,661	3,070
15	Homeowners			296	17,819	23,868	41,983
16	Total	-	-	296	16,229	32,070	48,595

Year-To-Date					Total
Policy Year					
2015	2016	2017	2018	2019	
	-	-	2,365	7,572	9,937
	-	-	1,684	5,743	7,427
	351	4,685	59,865	37,858	102,759
-	351	4,685	63,914	51,173	120,123
		-	855	3,840	4,695
		-	698	2,969	3,667
		-	18,793	20,992	39,785
-	-	-	20,346	27,801	48,147
		-	4,613		4,613
		-	6,903		6,903
		2,700	48,365		51,065
-	-	2,700	59,881	-	62,581
	-	-	(1,393)	11,412	10,019
	-	-	(4,521)	8,712	4,191
	351	1,985	30,293	58,850	91,479
-	351	1,985	24,379	78,974	105,689

Maryland Joint Insurance Association
Computation Of Case & IBNR Loss Reserves As Of
June 30, 2019
Policy Year

<u>Loss Case Reserves</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u>
Fire	-	-	-	-	-	3,000	3,000
Allied Lines	-	-	-	-	-	-	-
Homeowners	-	-	-	-	56,525	27,805	84,330
Total	-	-	-	-	56,525	30,805	87,330

<u>Loss IBNR Reserves</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u>
Fire	-	-	-	-	3,163	12,695	15,858
Allied Lines	-	-	-	-	945	4,016	4,961
Homeowners	-	-	-	-	10,200	29,061	39,261
Total	-	-	-	-	14,308	45,772	60,080

<u>Total Loss Reserves</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u>
Fire	-	-	-	-	3,163	15,695	18,858
Allied Lines	-	-	-	-	945	4,016	4,961
Homeowners	-	-	-	-	66,725	56,866	123,591
Total	-	-	-	-	70,833	76,577	147,410

Maryland Joint Insurance Association
Computation Of Allocated And Unallocated Loss Adjustment Expense Reserves
June 30, 2019
Policy Year

Loss Adjustment Expense Reserves		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	Allocated <u>Total</u>	Unallocated <u>Total</u>	LOB <u>Total</u>
<u>Allocated:</u>										
Fire - Case	3.80%	-	-	-	-	-	114	114		
Fire - IBNR	7.60%	-	-	-	-	240	965	1,205		1,319
Allied - Case	19.96%	-	-	-	-	-	-	-		
Allied - IBNR	39.91%	-	-	-	-	377	1,603	1,980		1,980
Homeowners - Case	9.01%	-	-	-	-	5,093	2,505	7,598		
Homeowners - IBNR	18.02%	-	-	-	-	1,838	5,237	7,075		14,673
Subtotal		-	-	-	-	7,548	10,424	17,972		17,972

Unallocated:

Fire - Case	9.73%	-	-	-	-	-	292		292	
Fire - IBNR	19.45%	-	-	-	-	615	2,469		3,084	3,376
Allied - Case	17.01%	-	-	-	-	-	-		-	
Allied - IBNR	34.01%	-	-	-	-	321	1,366		1,687	1,687
Homeowners - Case	15.42%	-	-	-	-	8,716	4,288		13,004	
Homeowners - IBNR	30.84%	-	-	-	-	3,146	8,962		12,108	25,112
Subtotal		-	-	-	-	12,798	17,377		30,175	30,175
Total		-	-	-	-	20,346	27,801			48,147

Summary By Line

Expense Reserves	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u>
Fire	-	-	-	-	855	3,840	4,695
Allied Lines	-	-	-	-	698	2,969	3,667
Homeowners	-	-	-	-	18,793	20,992	39,785
Total	-	-	-	-	20,346	27,801	48,147