

MARYLAND JOINT INSURANCE ASSOCIATION
COMPARATIVE INCOME STATEMENT AND EQUITY ACCOUNT

<u>DESCRIPTION</u>	12 MONTHS ENDING <u>9/30/2019</u>	PERCENT OF PREMIUMS <u>EARNED</u>	12 MONTHS ENDING <u>9/30/2018</u>	PERCENT OF PREMIUMS <u>EARNED</u>
<u>UNDERWRITING INCOME:</u>				
PREMIUMS WRITTEN	796,309		885,078	
PREMIUMS EARNED	<u>841,675</u>		<u>972,336</u>	
<u>DEDUCTIONS:</u>				
LOSSES INCURRED	297,232	35.31	382,496	39.34
LOSS EXPENSE INCURRED	147,881	17.57	177,679	18.27
COMMISSIONS	43,345	5.15	47,027	4.84
OPERATING EXPENSES INCURRED	856,783	101.79	916,636	94.27
PREMIUM TAXES INCURRED	<u>15,926</u>	<u>1.89</u>	<u>17,701</u>	<u>1.82</u>
TOTAL DEDUCTIONS	<u>1,361,167</u>	<u>161.72</u>	<u>1,541,539</u>	<u>158.54</u>
NET UNDERWRITING GAIN OR (LOSS)	<u>(519,492)</u>		<u>(569,203)</u>	
<u>OTHER INCOME OR (OUTGO)</u>				
NET INVESTMENT INCOME	-		-	
MISCELLANEOUS INCOME	<u>10,386</u>		<u>12,413</u>	
TOTAL OTHER INCOME OR (OUTGO)	<u>10,386</u>		<u>12,413</u>	
<u>EQUITY ACCOUNT:</u>				
BEGINNING MEMBERS EQUITY (DEFICIT)	(493,192)		(209,889)	
NET INCOME OR (LOSS)	(509,106)		(556,790)	
CHANGE IN MINIMUM PENSION LIABILITY	-		-	
UNASSIGNED FUNDS (PENSION)	(343,612)		213,212	
UNASSIGNED FUNDS (ACCUM POST RET BEN)	(438,869)		67,144	
CHANGE IN ASSETS NOT ADMITTED	2,418		749	
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>217,639</u></u>		<u><u>(493,192)</u></u>	

MARYLAND JOINT INSURANCE ASSOCIATION
COMPARATIVE BALANCE SHEETS FOR THE
PERIODS ENDED

<u>DESCRIPTION</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>CHANGE</u>
<u>ASSETS:</u>			
CASH	2,797,629	1,632,242	1,165,387
DCPIF MANAGEMENT FEES RECEIVABLE	39,131	9,362	29,769
ASSESSMENTS RECEIVABLE	-	-	-
INSTALLMENT PREMIUM RECEIVABLE	37,211	40,340	(3,129)
PRODUCER COMMISSION RECEIVABLE	-	-	-
MISCELLANEOUS RECEIVABLES	-	-	-
FIXED ASSETS	-	-	-
PREMIUM TAX RECEIVABLE	312	-	312
TOTAL ASSETS	<u><u>2,874,283</u></u>	<u><u>1,681,944</u></u>	<u><u>1,192,339</u></u>
<u>LIABILITIES AND EQUITY:</u>			
<u>RESERVE FOR</u>			
UNEARNED PREMIUM	406,582	447,333	(40,751)
ADVANCE PREMIUM	20,839	25,454	(4,615)
UNPAID LOSSES	135,675	198,430	(62,755)
UNPAID LOSS ADJUSTMENT EXPENSE	45,068	62,581	(17,513)
UNPAID PREMIUM TAXES	-	427	(427)
COMMISSIONS PAYABLE	4,960	6,420	(1,460)
<u>OPERATING EXPENSES:</u>			
ACCRUED EXPENSES / ACCOUNTS PAYABLE	66,657	64,658	1,999
POST RETIREMENT BENEFITS	1,397,393	1,057,353	340,040
PENSION LIABILITY	570,748	307,304	263,444
OTHER	-	-	-
AMOUNTS WITHHELD FOR OTHERS	<u>8,722</u>	<u>5,176</u>	<u>3,546</u>
TOTAL LIABILITIES	<u><u>2,656,644</u></u>	<u><u>2,175,136</u></u>	<u><u>481,508</u></u>
MEMBERS' EQUITY (DEFICIT)	<u><u>217,639</u></u>	<u><u>(493,192)</u></u>	<u><u>710,831</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>2,874,283</u></u>	<u><u>1,681,944</u></u>	<u><u>1,192,339</u></u>

MARYLAND JOINT INSURANCE ASSOCIATION
BALANCE SHEET
September 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	2,797,629			2,797,629
DCPIF MANAGEMENT FEES RECEIVABLE	39,131			39,131
ASSESSMENTS RECEIVABLE	-			-
INSTALLMENT PREMIUM RECEIVABLE	37,400		189	37,211
PREPAID EXPENSES	32,358		32,358	-
PRODUCER COMMISSION RECEIVABLE	-			-
MISCELLANEOUS RECEIVABLES	-			-
FIXED ASSETS	9,556		9,556	-
PREMIUM TAX RECEIVABLE	312			312
TOTAL ASSETS	<u>2,916,386</u>	<u>-</u>	<u>42,103</u>	<u>2,874,283</u>
<u>LIABILITIES AND EQUITY:</u>				
<u>RESERVE FOR</u>				
UNEARNED PREMIUM				406,582
ADVANCE PREMIUM				20,839
UNPAID LOSSES				135,675
UNPAID LOSS ADJUSTMENT EXPENSE				45,068
UNPAID PREMIUM TAXES				-
COMMISSION PAYABLE				4,960
<u>OPERATING EXPENSES:</u>				
ACCRUED EXPENSES				66,657
POST RETIREMENT BENEFITS				1,397,393
PENSION LIABILITY				570,748
OTHER				-
AMOUNTS WITHHELD FOR OTHERS				<u>8,722</u>
TOTAL LIABILITIES				<u>2,656,644</u>
MEMBERS' EQUITY (DEFICIT)				<u>217,639</u>
TOTAL LIABILITIES AND EQUITY				<u><u>2,874,283</u></u>

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

	<u>QUARTER</u>	<u>YEAR-TO-DATE</u>
<u>UNDERWRITING INCOME:</u>		
PREMIUMS EARNED	<u>202,319</u>	<u>841,675</u>
<u>DEDUCTIONS:</u>		
LOSSES INCURRED	67,010	297,232
LOSS EXPENSES INCURRED	42,192	147,881
COMMISSIONS	8,311	43,345
OPERATING EXPENSES INCURRED	200,927	856,783
PREMIUM TAXES INCURRED	<u>3,855</u>	<u>15,926</u>
TOTAL DEDUCTIONS	<u>322,295</u>	<u>1,361,167</u>
NET UNDERWRITING GAIN OR (LOSS)	<u>(119,976)</u>	<u>(519,492)</u>
<u>OTHER INCOME OR (OUTGO):</u>		
NET INVESTMENT INCOME	-	-
MISCELLANEOUS INCOME	<u>(100,658)</u>	<u>10,386</u>
	<u>(100,658)</u>	<u>10,386</u>
<u>EQUITY ACCOUNT:</u>		
BEGINNING MEMBERS' EQUITY (DEFICIT)	1,228,090	(493,192)
NET INCOME OR (LOSS)	(220,634)	(509,106)
CHANGE IN MINIMUM PENSION LIABILITY	(343,612)	(343,612)
UNASSIGNED FUNDS (PENSION)	(438,869)	(438,869)
UNASSIGNED FUNDS (ACCUM POST RET BEN)	-	-
CHANGE IN ASSETS NOT ADMITTED	(7,336)	2,418
CHANGES TO PENSION & APRB REPORTING	-	-
PRIOR PERIOD CHANGES POST AUDIT	-	-
ASSESSMENTS OR (DISTRIBUTIONS)	<u>-</u>	<u>2,000,000</u>
NET CHANGE IN EQUITY	<u>(1,010,451)</u>	<u>710,831</u>
ENDING MEMBERS' EQUITY (DEFICIT)	<u><u>217,639</u></u>	<u><u>217,639</u></u>

Maryland Joint Insurance Association
Members' Account
The Quarter and Year Ending September 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		2019	2020
<u>Income Received:</u>															
1	Premiums Written				(522)	172,428	20,839	192,745				(23,551)	799,021	20,839	796,309
2	Interest							-							-
3	Miscellaneous					(100,658)		(100,658)					10,386		10,386
4	Total Income Received				(522)	71,770	20,839	92,087				(23,551)	809,407	20,839	806,695
<u>Expenses Paid:</u>															
5	Losses				27,082	51,663		78,745			15,344	278,526	66,117		359,987
6	Loss Adjustment Expenses			1,793	11,994	31,484		45,271		351	6,478	75,907	82,658		165,394
7	Commissions				(20)	8,331		8,311				(1,011)	44,356		43,345
8	Operating Expenses			-	2,850	202,946		205,796	10,845	2,724	2,618	35,924	816,242		868,353
9	Premium Taxes					4,007		4,007			(126)	4,771	12,020		16,665
10	Total Expenses Paid			1,793	41,906	298,431	-	342,130	10,845	3,075	24,314	394,117	1,021,393	-	1,453,744
11	Net Cash Income			(1,793)	(42,428)	(226,661)	20,839	(250,043)	(10,845)	(3,075)	(24,314)	(417,668)	(211,986)	20,839	(647,049)
<u>Deduct Ending Reserves For:</u>															
12	Losses				53,901	81,774		135,675				53,901	81,774		135,675
13	Loss Adjustment Expense				13,169	31,899		45,068				13,169	31,899		45,068
14	Operating Expenses				600	66,057		66,657				600	66,057		66,657
15	Premium Taxes			748	(4,966)	3,906		(312)			748	(4,966)	3,906		(312)
16	Unearned Premiums					406,582	20,839	427,421					406,582	20,839	427,421
<u>Add Beginning Reserves For:</u>															
17	Losses				70,833	76,577		147,410			11,050	187,380			198,430
18	Loss Adjustment Expense				20,346	27,801		48,147			2,700	59,881			62,581
19	Operating Expenses			-	2,850	68,676		71,526	10,845	2,724	2,618	62,040	-		78,227
20	Premium Taxes			748	(4,966)	4,058		(160)			622	(195)			427
21	Unearned Premiums				25,504	411,491		436,995				447,333	25,454		472,787
22	Change In Underwriting Reserves	-	-	-	51,863	(1,615)	(20,839)	29,409	10,845	2,724	16,242	693,735	(564,764)	(20,839)	137,943
<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					(34,767)		(34,767)				(44,521)			(44,521)
<u>Add Ending Reserves For:</u>															
27	Accrued Investment Interest														
28	Minimum Pension Liability (new method)					(982,017)		(982,017)					(982,017)		(982,017)
29	Accum Post Ret Ben: Unassigned Funds (new method)					(351,386)		(351,386)					(351,386)		(351,386)
30	Non-Admitted Assets					(42,103)		(42,103)					(42,103)		(42,103)
31	Change In Pension Liability	-	-	-	-	(343,612)	-	(343,612)	-	-	-	638,405	(982,017)	-	(343,612)
32	Change in Accum Post Ret Ben					(438,869)		(438,869)				(87,483)	(351,386)		(438,869)
33	Change in Non-Admitted Assets					(7,336)		(7,336)				44,521	(42,103)		2,418
34	Assessments or (Distributions)											2,000,000			2,000,000
35	PRIOR PERIOD ENTRY: Post Audit														
Total One-time Changes to Equity															
		-	-	-	-	-	-	-	-	-	-	2,000,000	-	-	2,000,000
36	Change In Members' Equity			(1,793)	9,435	(1,018,093)	-	(1,010,451)		(351)	(8,072)	2,871,510	(2,152,256)	-	710,831
37	Beginning Members' Equity (Deficit)	2,233,032	(387,119)	(877,233)	1,393,573	(1,134,163)		1,228,090	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)	(879,026)	1,403,008	(2,152,256)	-	217,639	2,233,032	(387,119)	(879,026)	1,403,008	(2,152,256)	-	217,639

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

Exhibit 4A

Item	Description	Quarter-To-Date						Year-To-Date							
		Policy Year					ADVANCE	Total	Policy Year					ADVANCE	Total
		2015	2016	2017	2018	2019			2020	2015	2016	2017	2018		
<u>Premiums Written</u>															
1	Fire				-	44,210	8,163	52,373				(11,373)	229,752	8,163	226,542
2	Allied Lines				-	9,434	1,729	11,163				(1,263)	49,567	1,729	50,033
3	Homeowners				(522)	118,784	10,947	129,209				(10,915)	519,702	10,947	519,734
4	Total	-	-	-	(522)	172,428	20,839	192,745	-	-	-	(23,551)	799,021	20,839	796,309
<u>Beginning Unearned Premiums</u>															
5	Fire				5,536	120,482	-	126,018				125,839	4,653	-	130,492
6	Allied Lines				1,198	26,670	-	27,868				27,146	1,152	-	28,298
7	Homeowners				18,770	264,339	-	283,109				294,348	19,649	-	313,997
8	Total	-	-	-	25,504	411,491	-	436,995	-	-	-	447,333	25,454	-	472,787
<u>Ending Unearned Premiums</u>															
9	Fire				-	117,302	8,163	125,465				-	117,302	8,163	125,465
10	Allied Lines				-	25,589	1,729	27,318				-	25,589	1,729	27,318
11	Homeowners				-	263,691	10,947	274,638				-	263,691	10,947	274,638
12	Total	-	-	-	-	406,582	20,839	427,421	-	-	-	-	406,582	20,839	427,421
<u>Earned Premiums</u>															
13	Fire				5,536	47,390	-	52,926				114,466	117,103	-	231,569
14	Allied Lines				1,198	10,515	-	11,713				25,883	25,130	-	51,013
15	Homeowners				18,248	119,432	-	137,680				283,433	275,660	-	559,093
16	Total	-	-	-	24,982	177,337	-	202,319	-	-	-	423,782	417,893	-	841,675

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

Exhibit 4B

		Quarter-To-Date					
		Policy Year					Total
Item	Description	2015	2016	2017	2018	2019	
<u>Paid Losses</u>							
1	Fire			-	-	24,607	24,607
2	Allied Lines			-	-	624	624
3	Homeowners			-	27,082	26,432	53,514
4	Total	-	-	-	27,082	51,663	78,745
<u>Ending Loss Reserves</u>							
5	Fire			-	-	15,763	15,763
6	Allied Lines			-	-	4,968	4,968
7	Homeowners			-	53,901	61,043	114,944
8	Total	-	-	-	53,901	81,774	135,675
<u>Beginning Loss Reserves</u>							
9	Fire			-	3,163	15,695	18,858
10	Allied Lines			-	945	4,016	4,961
11	Homeowners			-	66,725	56,866	123,591
12	Total	-	-	-	70,833	76,577	147,410
<u>Incurred Losses</u>							
13	Fire			-	(3,163)	24,675	21,512
14	Allied Lines			-	(945)	1,576	631
15	Homeowners			-	14,258	30,609	44,867
16	Total	-	-	-	10,150	56,860	67,010
<u>Ending IBNR Loss Reserves</u>							
17	Fire				-	15,763	15,763
18	Allied Lines				-	4,968	4,968
19	Homeowners				-	37,043	37,043
20	Total (Included In Item 8)	-	-	-	-	57,774	57,774
<u>Beginning IBNR Loss Reserves</u>							
21	Fire				3,163	12,695	15,858
22	Allied Lines				945	4,016	4,961
23	Homeowners				10,200	29,061	39,261
24	Total (Included In Item 12)	-	-	-	14,308	45,772	60,080

Year-To-Date					Total
Policy Year					
2015	2016	2017	2018	2019	
<u>Paid Losses</u>					
		-	-	24,706	24,706
		-	-	2,601	2,601
		15,344	278,526	38,810	332,680
-	-	15,344	278,526	66,117	359,987
<u>Ending Loss Reserves</u>					
		-	-	15,763	15,763
		-	-	4,968	4,968
		-	53,901	61,043	114,944
-	-	-	53,901	81,774	135,675
<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>					
		-	(17,056)	40,469	23,413
		-	(13,337)	7,569	(5,768)
		4,294	175,440	99,853	279,587
-	-	4,294	145,047	147,891	297,232
<u>Ending IBNR Loss Reserves</u>					
			-	15,763	15,763
			-	4,968	4,968
			-	37,043	37,043
-	-	-	-	57,774	57,774
<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 September 30, 2019

Exhibit 4C

		Quarter-To-Date					
Item	Description	Policy Year					Total
		2015	2016	2017	2018	2019	
<u>Paid Loss Expenses</u>							
1	Fire			-	57	4,439	4,496
2	Allied Lines			-	18	4,041	4,059
3	Homeowners			1,793	11,919	23,004	36,716
4	Total	-	-	1,793	11,994	31,484	45,271
<u>Ending Loss Expense Reserves</u>							
5	Fire			-	-	4,264	4,264
6	Allied Lines			-	-	3,673	3,673
7	Homeowners			-	13,169	23,962	37,131
8	Total	-	-	-	13,169	31,899	45,068
<u>Beginning Loss Expense Reserves</u>							
9	Fire			-	855	3,840	4,695
10	Allied Lines			-	698	2,969	3,667
11	Homeowners			-	18,793	20,992	39,785
12	Total	-	-	-	20,346	27,801	48,147
<u>Incurred Loss Expenses</u>							
13	Fire			-	(798)	4,863	4,065
14	Allied Lines			-	(680)	4,745	4,065
15	Homeowners			1,793	6,295	25,974	34,062
16	Total	-	-	1,793	4,817	35,582	42,192

Year-To-Date					
Policy Year					Total
2015	2016	2017	2018	2019	
	-	-	2,422	12,012	14,434
	-	-	1,701	9,784	11,485
	351	6,478	71,784	60,862	139,475
-	351	6,478	75,907	82,658	165,394
	-	-	-	4,264	4,264
	-	-	-	3,673	3,673
	-	-	13,169	23,962	37,131
-	-	-	13,169	31,899	45,068
	-	-	4,613	-	4,613
	-	-	6,903	-	6,903
	-	2,700	48,365	-	51,065
-	-	2,700	59,881	-	62,581
	-	-	(2,191)	16,276	14,085
	-	-	(5,202)	13,457	8,255
	351	3,778	36,588	84,824	125,541
-	351	3,778	29,195	114,557	147,881

Maryland Joint Insurance Association
Computation Of Case & IBNR Loss Reserves As Of
September 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	-	-	-	-	-	-	-
Allied Lines	-	-	-	-	-	-	-
Homeowners	-	-	-	-	53,901	24,000	77,901
Total	-	-	-	-	53,901	24,000	77,901

<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	-	-	-	-	-	15,763	15,763
Allied Lines	-	-	-	-	-	4,968	4,968
Homeowners	-	-	-	-	-	37,043	37,043
Total	-	-	-	-	-	57,774	57,774

<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	-	-	-	-	-	15,763	15,763
Allied Lines	-	-	-	-	-	4,968	4,968
Homeowners	-	-	-	-	53,901	61,043	114,944
Total	-	-	-	-	53,901	81,774	135,675

Maryland Joint Insurance Association
Computation Of Allocated And Unallocated Loss Adjustment Expense Reserves
September 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%	-	-	-	-	-	-	-		
Fire - IBNR	7.60%	-	-	-	-	-	1,198	1,198		1,198
Allied - Case	19.96%	-	-	-	-	-	-	-		
Allied - IBNR	39.91%	-	-	-	-	-	1,983	1,983		1,983
Homeowners - Case	9.01%	-	-	-	-	4,857	2,162	7,019		
Homeowners - IBNR	18.02%	-	-	-	-	-	6,675	6,675		13,694
Subtotal		-	-	-	-	4,857	12,018	16,875		16,875

Unallocated:

Fire - Case	9.73%	-	-	-	-	-	-	-	-	
Fire - IBNR	19.45%	-	-	-	-	-	3,066		3,066	3,066
Allied - Case	17.01%	-	-	-	-	-	-	-	-	
Allied - IBNR	34.01%	-	-	-	-	-	1,690		1,690	1,690
Homeowners - Case	15.42%	-	-	-	-	8,312	3,701		12,013	
Homeowners - IBNR	30.84%	-	-	-	-	-	11,424		11,424	23,437
Subtotal		-	-	-	-	8,312	19,881		28,193	28,193
Total		-	-	-	-	13,169	31,899			45,068

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	-	-	-	-	-	4,264	4,264
Allied Lines	-	-	-	-	-	3,673	3,673
Homeowners	-	-	-	-	13,169	23,962	37,131
Total	-	-	-	-	13,169	31,899	45,068