

# SUMMARY OF OPERATIONS - CALENDAR YEAR 2021

Risk Sharing Pool - Alberta (Non-Grid)

Operating Results for the 12 Months Ended December 31, 2021 (Discounted basis)

Source: Monthly Operational Report

(thousands of dollars)

EXHIBIT 1

	January	February	March	April	May	June	July	August	September	October	November	December	CY2021 YTD	CY2022 12 MONTHS Updated Projection	CY2020 12 MONTHS Actual
<b>Underwriting Revenue:</b>															
Net Premiums Written	\$10,209	\$9,313	\$9,834	\$14,087	\$15,470	\$17,140	\$16,981	\$16,276	\$14,957	\$15,388	\$13,359	\$11,161	\$164,175	\$214,884	\$121,403
Decrease (Increase) in Unearned Premiums	286	(201)	325	(3,822)	(4,474)	(5,921)	(4,727)	(3,489)	(2,357)	(2,214)	(505)	2,443	(24,656)	(22,592)	2,487
<b>Net Premiums Earned</b>	<b>\$10,495</b>	<b>\$9,112</b>	<b>\$10,159</b>	<b>\$10,265</b>	<b>\$10,996</b>	<b>\$11,219</b>	<b>\$12,254</b>	<b>\$12,787</b>	<b>\$12,600</b>	<b>\$13,174</b>	<b>\$12,854</b>	<b>\$13,604</b>	<b>\$139,519</b>	<b>\$192,292</b>	<b>\$123,890</b>
<b>Claims Incurred:</b>															
Prior Accident Years:															
Undiscounted	(\$102)	(\$430)	(\$6,577)	(\$151)	(\$474)	(\$48)	(\$39)	(\$8,044)	(\$46)	\$383	(\$23)	(\$6)	(\$15,557)	\$0	(\$5,253)
Effect of Discounting	(833)	(656)	(775)	(416)	(2,657)	(513)	(402)	(1,795)	(328)	(589)	(304)	(205)	(9,473)	(4,310)	(512)
Discounted	(\$935)	(\$1,086)	(\$7,352)	(\$567)	(\$3,131)	(\$561)	(\$441)	(\$9,839)	(\$374)	(\$206)	(\$327)	(\$211)	(\$25,030)	(\$4,310)	(\$5,765)
Current Accident Year:															
Undiscounted	\$10,326	\$9,303	\$7,815	\$9,309	\$9,295	\$9,927	\$10,832	\$5,511	\$10,320	\$9,972	\$10,417	\$11,011	\$114,038	\$189,216	\$123,329
Effect of Discounting	1,139	843	465	761	205	739	656	146	497	438	499	454	6,842	14,632	7,257
Discounted	\$11,465	\$10,146	\$8,280	\$10,070	\$9,500	\$10,666	\$11,488	\$5,657	\$10,817	\$10,410	\$10,916	\$11,465	\$120,880	\$203,848	\$130,586
<b>Claims Incurred</b>	<b>\$10,530</b>	<b>\$9,060</b>	<b>\$928</b>	<b>\$9,503</b>	<b>\$6,369</b>	<b>\$10,105</b>	<b>\$11,047</b>	<b>(\$4,182)</b>	<b>\$10,443</b>	<b>\$10,204</b>	<b>\$10,589</b>	<b>\$11,254</b>	<b>\$95,850</b>	<b>\$199,538</b>	<b>\$124,821</b>
<b>Underwriting Expenses:</b>															
Expense Allowance	\$3,093	\$2,821	\$2,979	\$4,268	\$4,687	\$5,194	\$5,145	\$4,931	\$4,532	\$4,663	\$4,048	\$3,382	\$49,743	\$64,034	\$36,904
Change in UPDR/DPAC:															
Undiscounted	15	26	(4,747)	(117)	(746)	(78)	166	(1,414)	1,363	1,511	2,011	2,341	331	4,537	(5,886)
Effect of Discounting	(22)	18	(410)	299	471	488	403	107	305	222	205	(8)	2,078	2,204	257
Discounted	(7)	44	(5,157)	182	(275)	410	569	(1,307)	1,668	1,733	2,216	2,333	2,409	6,741	(5,629)
<b>Underwriting Expenses</b>	<b>\$3,086</b>	<b>\$2,865</b>	<b>(\$2,178)</b>	<b>\$4,450</b>	<b>\$4,412</b>	<b>\$5,604</b>	<b>\$5,714</b>	<b>\$3,624</b>	<b>\$6,200</b>	<b>\$6,396</b>	<b>\$6,264</b>	<b>\$5,715</b>	<b>\$52,152</b>	<b>\$70,775</b>	<b>\$31,275</b>
<b>Net Underwriting Gain (Loss)</b>	<b>(\$3,121)</b>	<b>(\$2,813)</b>	<b>\$11,409</b>	<b>(\$3,688)</b>	<b>\$215</b>	<b>(\$4,490)</b>	<b>(\$4,507)</b>	<b>\$13,345</b>	<b>(\$4,043)</b>	<b>(\$3,426)</b>	<b>(\$3,999)</b>	<b>(\$3,365)</b>	<b>(\$8,483)</b>	<b>(\$78,021)</b>	<b>(\$32,206)</b>
<b>Administrative Expenses</b>	<b>\$53</b>	<b>\$94</b>	<b>\$100</b>	<b>\$105</b>	<b>\$93</b>	<b>\$99</b>	<b>\$120</b>	<b>\$105</b>	<b>\$125</b>	<b>\$138</b>	<b>\$89</b>	<b>\$189</b>	<b>1,310</b>	<b>\$2,104</b>	<b>\$1,276</b>
<b>Operating Result</b>	<b>(\$3,174)</b>	<b>(\$2,907)</b>	<b>\$11,309</b>	<b>(\$3,793)</b>	<b>\$122</b>	<b>(\$4,589)</b>	<b>(\$4,627)</b>	<b>\$13,240</b>	<b>(\$4,168)</b>	<b>(\$3,564)</b>	<b>(\$4,088)</b>	<b>(\$3,554)</b>	<b>(\$9,793)</b>	<b>(\$80,125)</b>	<b>(\$33,482)</b>
<b>Ratios:</b>															
<b>Claims &amp; Expenses Incurred (Earned)</b>															
Prior Accident Years	-8.9%	-11.9%	-72.4%	-5.5%	-28.5%	-5.0%	-3.6%	-76.9%	-3.0%	-1.6%	-2.5%	-1.6%	-17.9%	-2.2%	-4.7%
Current Accident Year	109.2%	111.3%	81.5%	98.1%	86.4%	95.1%	93.7%	44.2%	85.8%	79.0%	84.9%	84.3%	86.6%	106.0%	105.4%
All Accident Years Combined	100.3%	99.4%	9.1%	92.6%	57.9%	90.1%	90.1%	-32.7%	82.8%	77.4%	82.4%	82.7%	68.7%	103.8%	100.7%
Underwriting & Administrative Expenses (Earned)	29.9%	32.5%	-20.5%	44.4%	41.0%	50.8%	47.6%	29.2%	50.2%	49.6%	49.4%	43.4%	38.3%	37.9%	26.3%
<b>Combined Operating Ratio</b>	<b>130.2%</b>	<b>131.9%</b>	<b>-11.4%</b>	<b>137.0%</b>	<b>98.9%</b>	<b>140.9%</b>	<b>137.7%</b>	<b>-3.5%</b>	<b>133.0%</b>	<b>127.0%</b>	<b>131.8%</b>	<b>126.1%</b>	<b>107.0%</b>	<b>141.7%</b>	<b>127.0%</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