

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

Risk Sharing Pool - Alberta (Non-Grid)

Operating Results for the 12 Months Ended December 31, 2020 (Discounted basis)

Source: Monthly Operational Report

(thousands of dollars)

EXHIBIT 2

	January	February	March	April	May	June	July	August	September	October	November	December	CY2020 YTD	CY2021 12 MONTHS Updated Projection	CY2019 12 MONTHS Actual
Underwriting Revenue:															
Net Premiums Written	\$11,535	\$10,617	\$12,139	\$12,601	\$11,127	\$7,011	\$8,536	\$8,628	\$9,286	\$11,320	\$10,504	\$8,099	\$121,403	\$164,891	\$122,354
Decrease (Increase) in Unearned Premiums	(918)	(668)	(1,316)	(2,043)	(298)	2,684	1,867	1,793	576	(976)	(279)	2,065	2,487	(21,066)	(6,597)
Net Premiums Earned	\$10,617	\$9,949	\$10,823	\$10,558	\$10,829	\$9,695	\$10,403	\$10,421	\$9,862	\$10,344	\$10,225	\$10,164	\$123,890	\$143,825	\$115,757
Claims Incurred:															
Prior Accident Years:															
Undiscounted	(\$46)	(\$230)	\$2,640	(\$319)	(\$5,077)	(\$230)	(\$173)	(\$1,812)	(\$73)	\$167	(\$46)	(\$54)	(\$5,253)	\$0	(\$24,105)
Effect of Discounting	(565)	(464)	(781)	(335)	4,052	(333)	(289)	370	(728)	(431)	(466)	(542)	(512)	(5,459)	(784)
Discounted	(\$611)	(\$694)	\$1,859	(\$654)	(\$1,025)	(\$563)	(\$462)	(\$1,442)	(\$801)	(\$264)	(\$512)	(\$596)	(\$5,765)	(\$5,459)	(\$24,889)
Current Accident Year:															
Undiscounted	\$11,377	\$10,857	\$9,537	\$10,839	\$9,214	\$9,541	\$10,167	\$13,216	\$9,915	\$8,562	\$10,078	\$10,026	\$123,329	\$140,086	\$120,930
Effect of Discounting	855	626	239	573	1,530	578	(336)	963	432	513	681	603	7,257	11,872	5,956
Discounted	\$12,232	\$11,483	\$9,776	\$11,412	\$10,744	\$10,119	\$9,831	\$14,179	\$10,347	\$9,075	\$10,759	\$10,629	\$130,586	\$151,958	\$126,886
Claims Incurred	\$11,621	\$10,789	\$11,635	\$10,758	\$9,719	\$9,556	\$9,369	\$12,737	\$9,546	\$8,811	\$10,247	\$10,033	\$124,821	\$146,499	\$101,997
Underwriting Expenses:															
Expense Allowance	\$3,510	\$3,227	\$3,689	\$3,830	\$3,382	\$2,129	\$2,595	\$2,623	\$2,823	\$3,441	\$3,193	\$2,462	\$36,904	\$49,961	\$38,100
Change in UPDR/DPAC:															
Undiscounted	77	72	(4,633)	1	(2,006)	270	260	1,296	(65)	(1,064)	(69)	(25)	(5,886)	1,625	218
Effect of Discounting	66	48	(505)	127	1,304	(202)	(136)	570	(60)	(804)	17	(168)	257	1,821	1,595
Discounted	143	120	(5,138)	128	(702)	68	124	1,866	(125)	(1,868)	(52)	(193)	(5,629)	3,446	1,813
Underwriting Expenses	\$3,653	\$3,347	(\$1,449)	\$3,958	\$2,680	\$2,197	\$2,719	\$4,489	\$2,698	\$1,573	\$3,141	\$2,269	\$31,275	\$53,407	\$39,913
Net Underwriting Gain (Loss)	(\$4,657)	(\$4,187)	\$637	(\$4,158)	(\$1,570)	(\$2,058)	(\$1,685)	(\$6,805)	(\$2,382)	(\$40)	(\$3,163)	(\$2,138)	(\$32,206)	(\$56,081)	(\$26,153)
Administrative Expenses	\$88	\$127	\$93	\$102	\$94	\$110	\$99	\$92	\$102	\$172	\$63	\$134	1,276	\$1,682	\$1,169
Operating Result	(\$4,745)	(\$4,314)	\$544	(\$4,260)	(\$1,664)	(\$2,168)	(\$1,784)	(\$6,897)	(\$2,484)	(\$212)	(\$3,226)	(\$2,272)	(\$33,482)	(\$57,763)	(\$27,322)
Ratios:															
Claims & Expenses Incurred (Earned)															
Prior Accident Years	-5.8%	-7.0%	17.2%	-6.2%	-9.5%	-5.8%	-4.4%	-13.8%	-8.1%	-2.6%	-5.0%	-5.9%	-4.7%	-3.8%	-21.5%
Current Accident Year	115.2%	115.4%	90.3%	108.1%	99.2%	104.4%	94.5%	136.1%	104.9%	87.7%	105.2%	104.6%	105.4%	105.7%	109.6%
All Accident Years Combined	109.4%	108.4%	107.5%	101.9%	89.7%	98.6%	90.1%	122.3%	96.8%	85.1%	100.2%	98.7%	100.7%	101.9%	88.1%
Underwriting & Administrative Expenses (Earned)	35.2%	34.9%	-12.5%	38.5%	25.6%	23.8%	27.1%	44.0%	28.4%	16.9%	31.3%	23.6%	26.3%	38.3%	35.5%
Combined Operating Ratio	144.6%	143.3%	95.0%	140.4%	115.3%	122.4%	117.2%	166.3%	125.2%	102.0%	131.5%	122.3%	127.0%	140.2%	123.6%

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