

**TO: MEMBERS OF THE FACILITY ASSOCIATION**

**ATTENTION: CHIEF EXECUTIVE OFFICER**

**BULLETIN NO: F2024 – 051**

**DATE: December 23, 2024**

**SUBJECT: FARM Final Outlook for Calendar Year 2025  
Based on September 2024 Participation Reports**

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This Outlook was prepared for the Member companies of Facility Association to assist Member companies in estimating their share of FARM results for planning purposes. It is not intended, nor is it necessarily suitable, for any other purpose.

#### **Key Takeaways**

- The projected **2025 Premium Written** is **\$543 million**, an increase of \$9 million from the current updated full-year 2024 forecast of \$534 million; the projected **Combined Operating Ratio (COR)** is **91.2% for 2025**, an increase of 4.2% pts from 2024 forecast of 87.0%.
- The estimated premium and COR include consideration of approved rate changes, projected losses, portfolio mix changes related to recent growth in FARM volumes across jurisdictions and certain classes of vehicles, following from discussions with Facility Association's Actuarial team, Underwriting team and Servicing Carriers. Note that CORs for FARM do not include all expenses like premium taxes and health levies, where such expenses are the direct responsibility of FA members;
- The projected **2025 Operating Result** is **\$48 million**, a decrease of \$21 million from the latest 2024 forecast of \$69 million. The 2024 forecast includes favorable changes in prior year development as booked during the first nine months of 2024 whereas the 2025 forecast assumes no changes in nominal prior year development;
- **Operating cash inflows<sup>[1]</sup> of \$103 million in 2025**, similar to the latest expected inflow of **\$110 million for 2024**

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<sup>[1]</sup>Operating cashflows are estimated based on assumptions related to collection of premium, and payment of expenses and claims.



The calendar year 2025 FARM Outlook based on actual results as found in the September 2024 Participation Reports can be found on our website: [FARM Outlook CY 2025](#)

Questions regarding the Outlook should be directed to Philippe Gosselin, VP Actuarial, CRO at Facility Association, 416-644-4968, [PGosselin@facilityassociation.com](mailto:PGosselin@facilityassociation.com)

Saskia Matheson,  
President & CEO

Please forward a copy of this bulletin to your Chief Financial Officer.