

TO: MEMBERS OF THE FACILITY ASSOCIATION
ATTENTION: CHIEF EXECUTIVE OFFICER
BULLETIN NO: F2022-035
DATE: May 30, 2022
SUBJECT: Newfoundland and Labrador Risk Sharing Pool
 – April 2022 Operational Report

A copy of this bulletin should be provided to your Chief Financial Officer and Appointed Actuary.

Please be advised that the April 2022 Newfoundland and Labrador Risk Sharing Pool Operational Report is available on the Facility Association (FA) Portal at <https://portal.facilityassociation.com>.

Highlights

- (a) The **April 2022 premium written** was \$610 thousand; and
- (b) The **year-to-date net operating deficit** was \$6 thousand, resulting in a **year-to-date COR of 100.3%**.

Summary of Financial Results

NL RSP Summary of Financial Results

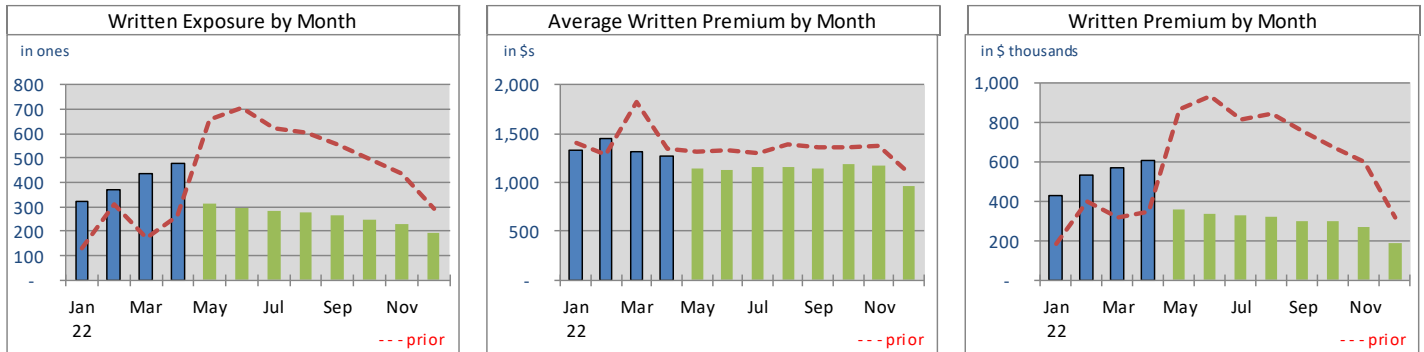
NL RSP 2022 Summary Amounts in \$000s	Actual (April 2022)	Projection (April 2022)	Prior Year (April 2021)	2022 year-to-date as at 4 months	2021 year-to-date as at 4 months	2022 year-end Projection	Outlook* Full year 2022
Premium Written	610	341	350	2,144	1,250	4,544	11,933
Premium Earned	619	606	158	2,299	392	6,383	9,418
Incurred Losses	658	641	168	1,597	426	5,906	9,970
Underwriting & Admin Expense	233	84	171	708	655	1,250	3,987
Expense allowance	168	94	100	591	357	1,251	3,294
Premium Deficiency / (DPAC)	(1)	(22)	20	(76)	98	(217)	248
Administrative Expenses	66	12	51	193	200	216	445
Net Result from Operations	(272)	(119)	(181)	(6)	(690)	(773)	(4,539)
Ratios:							
Loss ratio - Prior Accident Years	(1.0%)	(0.5%)	-	(37.6%)	0.3%	(13.7%)	(0.7%)
- Current Accident Year	107.3%	106.3%	105.5%	107.1%	107.7%	106.3%	106.6%
Total	106.3%	105.8%	105.5%	69.5%	108.0%	92.6%	105.9%
Underwriting & Admin Expense	37.6%	13.9%	108.8%	30.8%	167.7%	19.6%	42.3%
Expense allowance	27.1%	15.5%	63.3%	25.7%	91.1%	19.6%	35.0%
Premium Deficiency / (DPAC)	(0.2%)	(3.6%)	12.7%	(3.3%)	25.0%	(3.4%)	2.6%
Administrative Expenses	10.7%	2.0%	32.1%	8.4%	51.1%	3.4%	4.7%
Combined Operating Ratio	143.9%	119.7%	214.3%	100.3%	275.7%	112.2%	148.2%

rounding differences may occur

**as posted to FA's website Dec. 24, 2021*

Premium

The **premium drivers** compared to prior year and The Outlook to year-end are:



The vehicle count transfer for April 2022 was 481 vehicles; the projection for April from last month anticipated 297 vehicle transfers, however the actual came in 184 higher than projected.

Incurred Losses

Incurred losses in April 2022 were \$0.7 million; and loss ratio was at 106.3%, in line with our projection and prior year.

Underwriting and Admin Expenses

Expenses for April 2022 were \$233 thousand, above both the projection and prior year.

Projection for Year-end 2022

Compared with The Outlook, written premium has decreased by \$7.4 million to \$4.5 million.

The updated year-end 2022 operating deficit is now \$0.8 million and the combined operating ratio is 112.2%; loss ratios are expected to be lower than The Outlook; however, expense ratio has decreased due to decrease in written premium.

Should you require any further information, please call Philippe Gosselin, VP Actuarial and CRO at (416) 863-1750 x4968.

Saskia Matheson
President & CEO

Related links

[Newfoundland and Labrador RSP Summary of Operations - Calendar Year 2022](#)

*04 months ended April 2022 (discounted basis)