



County Reinsurance, Limited

County Reinsurance, Limited
Unaudited Financial Statements - Statutory Basis
March 31, 2024

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Prepared By:

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County Reinsurance, Limited
Statutory Basis Unaudited Financial Statements
For the Period Ending March 31, 2024

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County Reinsurance, Limited
Statutory Statements of Admitted Assets, Liabilities and Members' Surplus
March 31, 2024

	2024	December 2023
Admitted Assets		
Cash & Cash Equivalents	\$ 6,417,372	\$ 10,532,061
Debt securities, at carrying value	348,271,264	343,836,769
Equity securities, at fair value	17,432,668	16,576,927
Accrued Investment Income	2,002,537	2,271,908
Premiums Receivable	1,787,235	754,367
Reinsurance recoverable - paid losses	584,752	-
Fixed asset, net of accumulated depreciation	389,724	393,566
Other assets	2,506	152,903
Total Admitted Assets	\$ 376,888,057	\$ 374,518,501
Liabilities & Members' Surplus		
Liabilities		
Unearned Premiums, net of reinsurance	\$ 27,878,171	\$ 34,789,241
Outstanding Loss Reserves, net of reinsurance	169,540,415	167,700,197
Incurred But Not Reported Loss Reserves, net of reinsurance	132,095,651	130,053,967
Pass-through Losses Payable	(19,527)	176,451
Pass-through Premiums Payable	5,878,112	5,672,743
Accounts Payable and Accrued Expenses	4,658,890	1,821,988
Premium Taxes Payable	(3,385)	78,053
Deferred Commission income	69,035	151,139
Due to Broker	349,783	-
Total Liabilities	340,447,143	340,443,779
Members' Surplus		
Members' contributions	\$ 14,835,980	\$ 14,835,980
Net Unrealized Gain/(Loss) on investments	(5,111,316)	(5,893,023)
Unassigned surplus	26,716,250	25,131,765
Total Members' Surplus	36,440,914	34,074,722
Total Liabilities & Members' Surplus	\$ 376,888,057	\$ 374,518,501

County Reinsurance, Limited
Statutory Statements of Operations
For the Period Ending March 31, 2024

	<u>QTD</u>	<u>YTD</u>	<u>YTD 2023</u>
Underwriting Revenue:			
Assumed Premiums Written	\$ 13,852,364	\$ 13,852,364	\$ 12,568,711
Change in Unearned Premiums	7,564,190	7,564,190	5,352,849
Reinsurance Premiums Ceded	-	-	(164,238)
Change in Unexpired Reinsurance Premiums	(653,120)	(653,120)	(838,659)
Premiums Earned, Net of Reinsurance	20,763,434	20,763,434	16,918,663
Loss and Loss Adjustment Expenses:			
Paid Losses and Loss Adjustment Expenses, net of reinsurance	17,280,157	17,280,157	22,422,583
Change in Loss Reserves	3,836,650	3,836,650	(7,084,500)
Change in Ceded Loss Reserves	45,252	45,252	3,480,540
Total Loss and Loss Adjustment Expenses	21,162,059	21,162,059	18,818,623
Other Underwriting, Net:			
Commission Income	(86,571)	(86,571)	(185,181)
Taxes, Fees and Acquisition Cost	229,644	229,644	225,611
General and Administrative Expenses	603,589	603,765	660,042
Total Other Underwriting, Net	746,662	746,838	700,472
Underwriting Income/(Loss)	(1,145,287)	(1,145,462)	(2,600,431)
Investment Income:			
Interest Income- Money Market	1,148	1,148	113,675
Interest Income- Bonds	2,798,550	2,798,550	2,120,186
Dividend Income	119,152	119,152	131,986
Realized Gains/(Losses) on Investments	(27,324)	(27,324)	(91,929)
Premium/Discount Amortization	(41,697)	(41,697)	(98,125)
Investment Management Fees			
Miscellaneous Income	4,643	4,643	0
Investment Expenses	(126,109)	(125,933)	(101,300)
Total Net Investment Income	2,728,364	2,728,539	2,074,494
Net Income (Loss)	\$ 1,583,077	\$ 1,583,077	\$ (525,937)

County Reinsurance, Limited
Statutory Statement of Changes in Members' Surplus
March 31, 2024

	2024	December 2023
Members' Surplus- beginning of year	\$ 34,074,722	\$ 46,790,815
Paid-in Capital	-	-
Change in Net Unrealized Gain on Investments	781,707	(922,569)
Change in Non-Admitted Assets	1,408	16,595
Net Income/(Loss) Year-to-Date	1,583,077	(11,810,119)
Members' Surplus - current period	\$ 36,440,914	\$ 34,074,722

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County Reinsurance, Limited
Cumulative Underwriting Schedule From 2021 to Present

	UW Year July 2021-2022	UW Year July 2022-2023	UW Year July 2023-2024	3-Year Cummulative
Property				
Net Premiums:				
Premiums Assumed	\$ 21,958,808	\$ 24,859,957	\$ 30,616,109	\$ 77,434,875
Change in Unearned Premiums	-	-	(7,376,538)	(7,376,538)
Assumed Premiums Earned	21,958,808	24,859,957	23,239,571	70,058,337
Net Losses:				
Paid Losses & LAE	18,399,138	34,338,047	1,122,943	53,860,128
Outstanding Losses & LAE Reserve	5,398,206	17,183,233	7,350,876	29,932,316
IBNR Loss Reserve	676,655	3,932,720	10,018,181	14,627,556
Total Losses Incurred	24,474,000	55,454,000	18,492,000	98,420,000
Underwriting Profit/(Loss)	\$ (2,515,192)	\$ (30,594,043)	\$ 4,747,571	\$ (28,361,664)
<i>Loss Ratio</i>	111.45%	223.07%	79.57%	140.00%
<i>Reported Loss Ratio (Excludes IBNR Reserves)</i>	108.37%	207.25%	36.46%	119.60%
Liability				
Net Premiums:				
Net Premiums Assumed	\$ 26,021,959	\$ 29,024,553	\$ 37,477,632	\$ 92,524,144
Change in Unearned Premiums	-	-	(7,722,757)	(7,722,757)
Assumed Premiums Earned	26,021,959	29,024,553	29,754,875	84,801,387
Net Losses:				
Paid Losses & LAE	1,865,708	142,177	-	2,007,885
Outstanding Losses & LAE Reserve	4,520,710	7,415,164	1,745,000	13,680,875
IBNR Loss Reserve	17,091,581	20,035,659	11,224,000	48,351,240
Total Losses Incurred	23,478,000	27,593,000	12,969,000	64,040,000
Underwriting Profit/(Loss)	\$ 2,543,959	\$ 1,431,553	\$ 16,785,875	\$ 20,761,387
<i>Loss Ratio</i>	90.22%	95.07%	43.59%	76.00%
<i>Reported Loss Ratio (Excludes IBNR Reserves)</i>	24.54%	26.04%	5.86%	18.50%
Workers Compensation				
Net Premiums:				
Premiums Assumed	\$ 10,833,875	\$ 11,204,944	\$ 12,952,925	\$ 34,991,744
Change in Unearned Premiums	-	-	(2,624,582)	(2,624,582)
Assumed Premiums Earned	10,833,875	11,204,944	10,328,342	32,367,161
Net Losses:				
Paid Losses & LAE	109,041	1,213,928	-	1,322,969
Outstanding Losses & LAE Reserve	6,043,154	5,528,618	97,979	11,669,751
IBNR Loss Reserve	3,322,805	2,876,454	4,753,021	10,952,280
Total Losses Incurred	9,475,000	9,619,000	4,851,000	23,945,000
Underwriting Profit/(Loss)	\$ 1,358,875	\$ 1,585,944	\$ 5,477,342	\$ 8,422,161
<i>Loss Ratio</i>	87.46%	85.85%	46.97%	74.00%
<i>Reported Loss Ratio (Excludes IBNR Reserves)</i>	56.79%	60.17%	0.95%	40.14%
All Lines				
Assumed Premiums Earned	58,814,642	65,089,454	63,322,788	187,226,884
Total Losses Incurred	57,427,000	92,666,000	36,312,000	186,405,000
Underwriting Profit/(Loss)	\$ 1,387,642	\$ (27,576,546)	\$ 27,010,788	\$ 821,884
<i>Loss Ratio</i>	97.64%	142.37%	57.34%	99.56%

Country Reinsurance, Limited
Solvency, Liquidity & Profitability Ratios
For the Period Ending March 31, 2024

Ratio	Purpose	CRL Results	NAIC Benchmark	Vermont Regulatory Maximum
<u>Net Written Premium to Surplus Ratio (Based on Total Capital):</u>	Solvency			
Prior Year End		238%	300% or under	400%
Current Year to Date		38%	300% or under	400%
<u>Loss & LAE Reserves to Surplus Ratio (Based on Total Capital):</u>	Solvency			
Prior Year End		874%	200% or under	400%
Current Period		828%	200% or under	400%
<u>Total Liabilities to Surplus (Based on Total Capital):</u>	Solvency			
Prior Year End		999%	200% or under	500%
Current Period		933%	200% or under	500%
<u>Liabilities to Liquid Assets:</u>	Liquidity			
Prior Year End		91%	100% or under	Not Specified
Current Period		90%	100% or under	Not Specified
<u>Loss Ratio (Based on Financial Reporting Year):</u>	Profitability			
Prior Year End		130%	less than 100%	Not Specified
Current Year to Date		102%	less than 100%	Not Specified
<u>Combined Ratio (Based on Financial Reporting Year):</u>	Profitability			
Prior Year End		133%	less than 120%	120%
Current Year to Date		106%	less than 120%	120%

Definitions:

Net Written Premium to Surplus Ratio (Based on Total Capital):

This ratio measures the adequacy of the policyholders' surplus cushion, net of the effects of premiums ceded to reinsurers. The higher the ratio, the more risk the insure bears in relations to the policyholders' surplus.

Loss & LAE Reserves to Surplus Ratio (Based on Total Capital):

This ratio is the ratio of an insurer's reserves set aside for unpaid losses. The ratio indicates how much risk each dollar of surplus supports.

Total Liabilities to Surplus (Based on Total Capital):

This ratio calculates the insurer's liabilities, including unpaid claims, reserve estimation, and unearned premiums to it policyholders' surplus.

Liabilities to Liquid Assets:

This ratio is the measurement of a company's capacity to pay its outstanding liabilities with its liquid assets on hand.

Loss Ratio (Based on Financial Reporting Year):

Loss ratio represent the ratio of losses to premiums earned. Losses in loss ratios include all incurred losses, including paid, outstanding and incurred but not reported (IBNR).

Combined Ratio (Based on Financial Reporting Year):

Combined ratio is a measure of profitability used to gauge how well the Company is performing in its total operations. The combined ratio is calculated by taking the sum of all expenses divided by earned premiums.



County Reinsurance, Limited

**County Reinsurance, Limited Property Plus
Unaudited Financial Statements - Statutory Basis
March 31, 2024**

Prepared By:

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**County Reinsurance, Limited Property Plus
Statutory Basis Unaudited Financial Statements
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County Reinsurance, Limited Property Plus
Statutory Statements of Admitted Assets, Liabilities and Equity
March 31, 2024

	2024	December 2023
Admitted Assets		
Cash & Cash Equivalents	\$ 14,716,731	\$ 23,519,790
Debt Securities, at Carrying Value	125,691,411	124,242,711
Equity Securities, at Fair Value	8,121,230	7,865,855
Accrued Investment Income	525,764	606,786
Premiums Receivable	728,309	(13,243)
Other Assets	286,598	-
Total Admitted Assets	\$ 150,070,043	\$ 156,221,899
Liabilities & Members' Surplus		
Liabilities		
Unearned Premiums	26,247,871	51,839,663
Outstanding Loss Reserves	12,590,535	22,201,112
Incurred But Not Reported Loss Reserves	12,141,572	9,136,446
Losses Payable to General Account	1,534,855	-
Premium Taxes Payable	33,207	33,029
Total Liabilities	52,548,040	83,210,250
Equity		
Paid in Capital	\$ 38,500,000	\$ 38,500,000
Net Unrealized Gain/(Loss) on Investments	(89,868)	(236,304)
Retained Earnings	59,111,872	34,747,953
Total Equity	97,522,003	73,011,649
Total Liabilities & Equity	\$ 150,070,043	\$ 156,221,899

County Reinsurance, Limited Property Plus
Statutory Statements of Operations
For the Period Ending March 31, 2024

	<u>QTD</u>	<u>YTD</u>	<u>YTD 2023</u>
Underwriting Revenue:			
Gross Written Premium	\$ 741,552	\$ 741,552	\$ -
Change in Unearned Premiums	25,591,792	25,591,792	2,613,162
Net Premiums Earned	26,333,344	26,333,344	2,613,162
Underwriting Expenses:			
Paid Losses and Loss Adjustment Expenses	10,215,451	10,215,451	-
Change in Outstanding Loss Reserves	(9,610,577)	(9,610,577)	4,264,688
Change in IBNR Loss Reserves	3,005,125	3,005,125	-
Premium Tax Expense	178	178	-
Commission Fees	-	-	-
Other Miscellaneous Expenses	-	-	-
Total Expenses	3,610,178	3,610,178	4,264,688
Underwriting Income/(Loss)	22,723,166	22,723,166	(1,651,526)
Investment Income:			
Investment income - Bonds	757,872	757,872	299,958
Investment income - Risk Assets	125,594	125,594	103,629
Amortization/Accretion expense	567,783	567,783	(25,085)
Investment income - Money Fund	176,237	176,237	29,020
Realized Gains/Losses	13,269	13,269	5,088
Total Net Investment Income	1,640,753	1,640,753	412,610
Net Income (Loss)	\$ 24,363,919	\$ 24,363,919	\$ (1,238,916)
Loss ratio	13.7%	13.7%	163.2%
Expense ratio	0.00%	0.00%	0.00%
Combined ratio	13.7%	13.7%	163.2%

**County Reinsurance, Limited Property Plus
Statutory Statement of Changes in Surplus
March 31, 2024**

	2024	December 2023
Balance Beginning of Year	\$ 73,011,649	\$ 41,991,508
Change in Paid-in Capital	-	-
Change in Net Unrealized Gain on Investments	146,436	535,537
Net Income/(Loss) Year-to-Date	24,363,919	30,484,604
Balance End of Period	\$ 97,522,003	\$ 73,011,649

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County Reinsurance, Limited Property Plus
Cumulative Underwriting Schedule From 2021 to Present

	UW Year July 2021-2022	UW Year July 2022-2023	UW Year July 2023-2024	3-Year Cummulative
Net Premiums:				
Premiums Assumed	\$ 6,264,873	\$ 10,672,777	\$ 103,757,079	\$ 120,694,729
Change in Unearned Premiums	-	-	(26,061,470)	(26,061,470)
Assumed Premiums Earned	6,264,873	10,672,777	77,695,610	94,633,260
Net Losses:				
Paid Losses & LAE	4,677,526	18,376,677	-	23,054,203
Outstanding Losses & LAE Reserve	2,751,364	8,729,386	-	11,480,750
IBNR Loss Reserve	295,110	777,938	10,870,000	11,943,048
Total Losses Incurred	7,724,000	27,884,000	10,870,000	46,478,000
Underwriting Profit/(Loss)	\$ (1,459,127)	\$ (17,211,223)	\$ 66,825,610	\$ 48,155,260
	<i>Loss Ratio</i>	123.29%	261.26%	13.99%
	Reported Loss Ratio (Excludes IBNR Reserves)	118.58%	253.97%	0.00%
			49.00%	36.49%

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**Country Reinsurance, Limited Property Plus
Solvency, Liquidity & Profitability Ratios
For the Period Ending March 31, 2024**

Ratio	Purpose	CRL Results	NAIC Benchmark	Vermont Regulatory Maximum
<u>Net Written Premium to Surplus Ratio (Based on Total Capital):</u>	Solvency			
Prior Year End		142%	300% or under	400%
Current Year to Date		1%	300% or under	400%
<u>Loss & LAE Reserves to Surplus Ratio (Based on Total Capital):</u>	Solvency			
Prior Year End		43%	200% or under	400%
Current Period		25%	200% or under	400%
<u>Total Liabilities to Surplus (Based on Total Capital):</u>	Solvency			
Prior Year End		114%	200% or under	500%
Current Period		54%	200% or under	500%
<u>Liabilities to Liquid Assets:</u>	Liquidity			
Prior Year End		53%	100% or under	Not Specified
Current Period		35%	100% or under	Not Specified
<u>Loss Ratio (Based on Financial Reporting Year):</u>	Profitability			
Prior Year End		53%	less than 100%	Not Specified
Current Year to Date		14%	less than 100%	Not Specified
<u>Combined Ratio (Based on Financial Reporting Year):</u>	Profitability			
Prior Year End		53%	less than 120%	120%
Current Year to Date		14%	less than 120%	120%

Definitions:

Net Written Premium to Surplus Ratio (Based on Total Capital):

This ratio measures the adequacy of the policyholders' surplus cushion, net of the effects of premiums ceded to reinsurers. The higher the ratio, the more risk the insure bears in relations to the policyholders' surplus.

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This ratio is the ratio of an insurer's reserves set aside for unpaid losses. The ratio indicates how much risk each dollar of surplus supports.

Total Liabilities to Surplus (Based on Total Capital):

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Liabilities to Liquid Assets:

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Loss Ratio (Based on Financial Reporting Year):

Loss ratio represent the ratio of losses to premiums earned. Losses in loss ratios include all incurred losses, including paid, outstanding and incurred but not reported (IBNR).

Combined Ratio (Based on Financial Reporting Year):

Combined ratio is a measure of profitability used to gauge how well the Company is performing in its total operations. The combined ratio is calculated by taking the sum of all expenses divided by earned premiums.