

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATEMENT OF ASSETS, LIABILITIES AND MEMBERS' EQUITY
March 31, 2019

EXHIBIT 1

	ASSETS	NON-ADMITTED ASSETS	NET ADMITTED ASSETS
ASSETS:			
SHORT TERM NOTES AND CERTIFICATES OF DEPOSIT	\$ 987,968	\$ -	\$987,968
CASH & CASH EQUIVALENTS	1,487,171	-	1,487,171
PREMIUM RECEIVABLE - NET	45,409	-	45,409
ACCRUED INVESTMENT INCOME	6,284	-	6,284
TOTAL ASSETS	<u>\$ 2,526,832</u>	<u>\$ -</u>	<u>\$ 2,526,832</u>
LIABILITIES AND MEMBERS' EQUITY:			
RESERVES FOR:			
UNPAID LOSSES		\$ 40,922	
UNPAID LOSS ADJUSTMENT		27,788	
UNEARNED PREMIUMS		<u>245,764</u>	
		314,474	
PAYABLE FOR:			
ADVANCE & UNAPPLIED PREMIUMS		8,626	
UNDISTRIBUTED EQUITY		360,161	
COMMISSIONS PAYABLE		(1,718)	
OTHER LIABILITIES		<u>641,005</u>	
		1,008,074	
TOTAL LIABILITIES		<u>1,322,548</u>	
MEMBERS' EQUITY (DEFICIT):			
2014 COMBINED POOL		459,001	
2015 COMBINED POOL		203,938	
2016 COMBINED POOL		49,038	
2017 COMBINED POOL		243,331	
2018 COMBINED POOL		254,469	
2019 COMBINED POOL		<u>(5,494)</u>	
TOTAL MEMBERS' EQUITY (DEFICIT)		<u>1,204,284</u>	
TOTAL LIABILITIES AND MEMBERS' EQUITY		<u>\$ 2,526,832</u>	

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATEMENT OF INCOME AND EQUITY ACCOUNT
FISCAL YEAR 2019
For the Six Months Ending March 31, 2019

EXHIBIT 2

	QUARTER	YEAR-TO-DATE
UNDERWRITING INCOME:		
PREMIUMS WRITTEN	\$ 90,566	\$ 238,935
CHANGE IN UNEARNED PREMIUMS	23,241	(3,342)
PREMIUMS EARNED	<u>\$ 113,807</u>	<u>\$ 235,593</u>
LOSS & LOSS ADJUSTMENT EXPENSES INCURRED:		
LOSSES INCURRED	(144,698)	(138,273)
LOSS ADJUSTMENT EXP INCURRED	1,279	5,068
TOTAL LOSSES & LOSS ADJ EXP INCURRED	<u>(143,419)</u>	<u>(133,205)</u>
UNDERWRITING EXPENSES INCURRED:		
COMMISSIONS	7,330	17,153
OTHER UNDERWRITING EXPENSES	27,331	53,146
TOTAL UNDERWRITING EXPENSES	<u>34,661</u>	<u>70,299</u>
TOTAL LOSSES & UNDERWRITING EXPENSES	<u>(108,758)</u>	<u>(62,906)</u>
NET UNDERWRITING GAIN (LOSS)	222,565	298,499
NET INVESTMENT INCOME (EXPENSE)	2,751	11,655
NET INCOME (LOSS)	<u>\$ 225,316</u>	<u>\$ 310,154</u>
STATEMENT OF MEMBER'S EQUITY (DEFICIT):		
MEMBERS' EQUITY (DEFICIT) - BEG	\$ 1,337,857	\$ 1,254,291
NET INCOME (LOSS)	225,316	310,154
CHANGE IN NON-ADMITTED ASSETS	1,273	-
DISTRIBUTION WITHHELD	<u>(360,161)</u>	<u>(360,161)</u>
MEMBERS' EQUITY (DEFICIT) - ENDING	<u><u>\$ 1,204,285</u></u>	<u><u>\$ 1,204,284</u></u>

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
MEMBERS' ACCOUNT
FISCAL YEAR 2019
For the Six Months Ending March 31, 2019

EXHIBIT 3A

	QUARTER							YEAR-TO-DATE								
	POOL YEAR							POOL YEAR								
	2013	2014	2015	2016	2017	2018	2019	TOTAL	2013	2014	2015	2016	2017	2018	2019	TOTAL
INCOME RECEIVED:																
PREMIUMS WRITTEN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,472)	\$ 93,037	\$ 90,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (23,212)	\$ 262,146	\$ 238,934
NET WRITTEN PREMIUMS	-	-	-	-	-	(2,472)	93,037	90,565	-	-	-	-	-	(23,212)	262,146	238,934
NET INVESTMENT INCOME (EXPENSE)	-	4,674	2,067	(98)	1,800	7,145	1,430	17,018	-	7,463	3,302	270	3,386	11,256	1,802	27,479
TOTAL INCOME	-	4,674	2,067	(98)	1,800	4,673	94,467	107,583	-	7,463	3,302	270	3,386	(11,956)	263,948	266,413
EXPENSES PAID:																
LOSSES	-	-	-	-	-	-	-	-	-	-	-	-	-	2,921	-	2,921
LOSS ADJUSTMENT EXPENSES	-	-	-	360	1,080	3,017	360	4,817	-	-	-	714	2,141	5,008	745	8,607
COMMISSIONS	-	-	-	-	-	(213)	7,543	7,330	-	-	-	-	-	(1,711)	18,863	17,152
OPERATING EXPENSES	-	-	-	-	-	-	27,331	27,331	-	-	-	-	-	-	53,146	53,146
TOTAL EXPENSES PAID:	-	-	-	360	1,080	2,804	35,234	39,478	-	-	-	714	2,141	6,218	72,754	81,826
NET CASH CHANGE	-	4,674	2,067	(458)	720	1,869	59,233	68,105	-	7,463	3,302	(444)	1,245	(18,174)	191,194	184,588
CHANGE IN RESERVES:																
UNPAID LOSSES	-	-	-	49,063	71,731	26,332	(2,428)	144,698	-	-	-	49,063	71,731	22,828	(2,428)	141,194
UNPAID LOSS ADJ EXPENSES	-	-	993	10,240	5,318	(11,793)	(1,219)	3,539	-	-	993	10,240	5,318	(11,793)	(1,219)	3,539
UNEARNED PREMIUMS	-	-	-	-	-	65,466	(42,225)	23,241	-	-	-	-	-	190,685	(194,027)	(3,342)
NET RESERVE CHANGE	-	-	993	59,303	77,049	80,005	(45,872)	171,478	-	-	993	59,303	77,049	201,720	(197,674)	141,391
OTHER CHANGES:																
CHANGE IN ACCRUED INTEREST	-	(3,302)	(1,472)	(595)	(1,987)	(6,322)	(588)	(14,268)	-	(6,003)	(2,135)	(678)	(2,736)	(5,257)	985	(15,824)
NET OTHER CHANGES	-	(3,302)	(1,472)	(595)	(1,987)	(6,322)	(588)	(14,268)	-	(6,003)	(2,135)	(678)	(2,736)	(5,257)	985	(15,824)
CHANGE IN MEMBERS' EQUITY	-	1,372	1,588	58,250	75,782	75,552	12,773	225,315	-	1,460	2,160	58,181	75,558	178,289	(5,494)	310,154
MEMBERS' EQUITY (DEFICIT) - BEG	360,161	457,629	202,350	(9,213)	167,549	178,917	(19,539)	1,337,857	360,161	457,541	201,779	(9,143)	167,772	76,181	-	1,254,291
CHANGE IN NON ADMITTED ASSETS	-	-	-	-	-	-	1,273	1,273	-	-	-	-	-	-	-	-
DISTRIBUTION WITHHELD	(360,161)	-	-	-	-	-	-	(360,161)	(360,161)	-	-	-	-	-	-	(360,161)
MEMBERS' EQUITY (DEFICIT) - END	\$ -	\$ 459,001	\$ 203,938	\$ 49,038	\$ 243,331	\$ 254,469	\$ (5,494)	\$ 1,204,284	\$ -	\$ 459,001	\$ 203,938	\$ 49,038	\$ 243,331	\$ 254,469	\$ (5,494)	\$ 1,204,284

CALIFORNIA FAIR PLAN ASSOCIATION
DIVISION II - BUSINESSOWNERS
STATISTICAL REPORT OF PREMIUMS
FISCAL YEAR 2019
For the Six Months Ending March 31, 2019

EXHIBIT 4A

	QUARTER			YEAR-TO-DATE		
	POOL YEAR			POOL YEAR		
	2018	2019	TOTAL	2018	2019	TOTAL
PREMIUMS WRITTEN						
PROPERTY	\$ (1,285)	\$ 48,400	\$ 47,115	\$ (12,070)	\$ 135,672	\$ 123,602
LIABILITY	(1,187)	44,637	43,450	(11,142)	126,474	115,332
TOTAL PREMIUMS WRITTEN	(2,472)	93,037	90,565	(23,212)	262,146	238,934
CHANGE IN UNEARNED PREMIUMS						
PROPERTY	34,042	(21,957)	12,085	99,156	(100,894)	(1,738)
LIABILITY	31,424	(20,268)	11,156	91,529	(93,133)	(1,604)
TOTAL CHANGE IN UNEARNED PREMIUMS	65,466	(42,225)	23,241	190,685	(194,027)	(3,342)
EARNED PREMIUMS						
PROPERTY	32,757	26,443	59,200	87,086	34,778	121,864
LIABILITY	30,237	24,369	54,606	80,387	33,341	113,728
NET EARNED PREMIUMS	\$ 62,994	\$ 50,812	\$ 113,806	\$ 167,473	\$ 68,119	\$ 235,592

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATISTICAL REPORT OF LOSSES
FISCAL YEAR 2019
For the Six Months Ending March 31, 2019

EXHIBIT 4B

	2014	2015	2016	2017	2018	2019	TOTAL	2014	2015	2016	2017	2018	2019	TOTAL
LOSSES PAID														
PROPERTY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,921	\$ -	\$ 2,921
LIABILITY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LOSSES PAID:	-	-	-	-	-	-	-	-	-	-	-	-	-	2,921
CHANGE IN LOSS RESERVES														
PROPERTY	-	-	(30,684)	(41,245)	(12,669)	1,396	(83,202)	-	-	(30,684)	(41,245)	(13,465)	1,396	(83,998)
LIABILITY	-	-	(18,379)	(30,486)	(13,663)	1,032	(61,496)	-	-	(18,379)	(30,486)	(9,363)	1,032	(57,196)
TOTAL CHANGE IN LOSS RESERVES:	-	-	(49,063)	(71,731)	(26,332)	2,428	(144,698)	-	-	(49,063)	(71,731)	(22,828)	2,428	(141,194)
LOSSES INCURRED														
PROPERTY	-	-	(30,684)	(41,245)	(12,669)	1,396	(83,202)	-	-	(30,684)	(41,245)	(10,544)	1,396	(81,077)
LIABILITY	-	-	(18,379)	(30,486)	(13,663)	1,032	(61,496)	-	-	(18,379)	(30,486)	(9,363)	1,032	(57,196)
TOTAL LOSSES INCURRED:	-	-	(49,063)	(71,731)	(26,332)	2,428	(144,698)	-	-	(49,063)	(71,731)	(19,907)	2,428	(138,273)

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
FISCAL YEAR 2019
For the Six Months Ending March 31, 2019

EXHIBIT 4C

	2014	2015	2016	2017	2018	2019	TOTAL	2014	2015	2016	2017	2018	2019	TOTAL
LOSS ADJUSTMENT PAID														
PROPERTY	\$ -	\$ -	\$ 216	\$ 648	\$ 648	\$ 216	\$ 1,728	\$ -	\$ -	\$ 428	\$ 1,285	\$ 2,215	\$ 428	\$ 4,355
LIABILITY	-	-	144	432	2,369	144	3,089	-	-	285	856	2,793	316	4,252
TOTAL LOSS ADJ EXP PAID	-	-	360	1,080	3,017	360	4,817	-	-	714	2,141	5,008	745	8,607
CHANGE IN LOSS ADJ. RES														
PROPERTY	-	(571)	(5,888)	(3,058)	6,781	701	(2,035)	-	(571)	(5,888)	(3,058)	6,781	701	(2,035)
LIABILITY	-	(422)	(4,352)	(2,260)	5,012	518	(1,504)	-	(422)	(4,352)	(2,260)	5,012	518	(1,504)
TOTAL CHANGE IN LOSS ADJ. RES.	-	(993)	(10,240)	(5,318)	11,793	1,219	(3,539)	-	(993)	(10,240)	(5,318)	11,793	1,219	(3,539)
LOSS ADJ EXP INCURRED														
PROPERTY	-	(571)	(5,672)	(2,410)	7,429	917	(307)	-	(571)	(5,460)	(1,773)	8,996	1,129	2,320
LIABILITY	-	(422)	(4,208)	(1,828)	7,381	662	1,585	-	(422)	(4,067)	(1,404)	7,805	834	2,748
TOTAL LOSS ADJ INCURRED	\$ -	\$ (993)	\$ (9,880)	\$ (4,238)	\$14,810	\$ 1,579	\$ 1,278	\$ -	\$ (993)	\$ (9,526)	\$ (3,177)	\$16,801	\$ 1,964	\$ 5,068

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
QUARTERLY RESERVES EXHIBIT
FISCAL YEAR 2019
For the Six Months Ending March 31, 2019

EXHIBIT 5

	2014	2015	2016	2017	2018	2019	TOTAL	2014	2015	2016	2017	2018	2019	TOTAL
UNEARNED PREMIUM RESERVES:														
PROPERTY	\$ -	\$ -	\$ -	\$ -	\$ 60,946	\$ 78,937	\$ 139,883	\$ -	\$ -	\$ -	\$ -	\$ 26,904	\$100,894	\$ 127,798
LIABILITY	-	-	-	-	56,258	72,865	129,123	-	-	-	-	24,834	93,133	117,967
TOTAL UNEARNED PREM RESERVES	-	-	-	-	117,204	151,802	269,006	-	-	-	-	51,738	194,027	245,765
LOSS RESERVES:														
LOSS RESERVES: CASE														
PROPERTY	-	-	-	-	5,204	-	5,204	-	-	-	-	5,204	-	5,204
LIABILITY	-	-	-	5,000	4,300	-	9,300	-	-	4,300	5,000	-	-	9,300
TOTAL CASE RESERVES	-	-	-	5,000	9,504	-	14,504	-	-	4,300	5,000	5,204	-	14,504
LOSS RESERVES: IBNR														
PROPERTY	-	-	30,684	44,066	23,642	-	98,392	-	-	-	2,821	10,973	1,396	15,190
LIABILITY	-	-	22,679	32,571	17,474	-	72,724	-	-	-	2,085	8,111	1,032	11,228
TOTAL IBNR RESERVES	-	-	53,363	76,637	41,116	-	171,116	-	-	-	4,906	19,084	2,428	26,418
TOTAL LOSS RESERVES:														
PROPERTY	-	-	30,684	44,066	28,846	-	103,596	-	-	-	2,821	16,177	1,396	20,394
LIABILITY	-	-	22,679	37,571	21,774	-	82,024	-	-	4,300	7,085	8,111	1,032	20,528
TOTAL LOSS RESERVES	-	-	53,363	81,637	50,620	-	185,620	-	-	4,300	9,906	24,288	2,428	40,922
LOSS EXPENSE RESERVES:														
PROPERTY	-	571	5,888	6,233	5,321	-	18,013	-	-	-	3,175	12,102	701	15,978
LIABILITY	-	422	4,352	4,607	3,933	-	13,314	-	-	-	2,347	8,945	518	11,810
TOTAL LOSS EXPENSE RESERVES	\$ -	\$ 993	\$ 10,240	\$10,840	\$ 9,254	\$ -	\$ 31,327	\$ -	\$ -	\$ -	\$ 5,522	\$ 21,047	\$ 1,219	\$ 27,788