

**MANITOBA PUBLIC INSURANCE**  
**BASIC INSURANCE - STATEMENT OF OPERATIONS**  
**2015/16 Current Forecast vs 2016 Rate Application Forecast**

(C\$ 000s, except where noted)	Note 1				Current Forecast @ August 31/2015	2016 Rate Application Forecast	Current vs 2016 rate application
	Q1-Actual	Q2-Actual	Q3-Budget	Q4-Budget	Total	Total	Difference
<b>Net Premiums Written</b>							
Motor Vehicles	238,820	202,367	208,065	204,438	853,690	854,303	(613)
Drivers	11,525	11,585	12,183	12,121	47,414	48,269	(855)
Reinsurance Ceded	(12,396)	(24)	-	-	(12,420)	(12,396)	(24)
<b>Total Net Premiums Written</b>	<b>237,949</b>	<b>213,928</b>	<b>220,248</b>	<b>216,559</b>	<b>888,684</b>	<b>890,176</b>	<b>(1,492)</b>
<b>Net Premiums Eamed</b>							
Motor Vehicles	201,435	213,011	208,642	198,876	821,964	828,135	(6,171)
Drivers	11,353	11,506	11,974	11,705	46,538	46,782	(244)
Reinsurance Ceded	(3,099)	(3,123)	(3,099)	(3,099)	(12,420)	(12,396)	(24)
<b>Total Net Premiums Eamed</b>	<b>209,689</b>	<b>221,394</b>	<b>217,517</b>	<b>207,482</b>	<b>856,082</b>	<b>862,521</b>	<b>(6,439)</b>
Service Fees & Other Revenues	4,909	5,125	5,104	5,461	20,599	20,922	(323)
<b>Total Eamed Revenues</b>	<b>214,598</b>	<b>226,519</b>	<b>222,621</b>	<b>212,943</b>	<b>876,681</b>	<b>883,443</b>	<b>(6,762)</b>
<b>Net Claims Incurred (note 2)</b>	<b>115,155</b>	<b>176,827</b>	<b>151,496</b>	<b>145,609</b>	<b>589,087</b>	<b>588,900</b>	<b>187</b>
Claims Expense	29,527	28,993	29,554	29,926	118,000	121,045	(3,045)
Loss Prevention/Road Safety	2,267	3,931	2,923	2,703	11,824	11,496	328
<b>Total Claims Costs</b>	<b>146,949</b>	<b>209,751</b>	<b>183,973</b>	<b>178,238</b>	<b>718,911</b>	<b>721,441</b>	<b>(2,530)</b>
<b>Expenses</b>							
Operating	17,355	17,254	18,096	18,318	71,023	71,401	(378)
Commissions	8,168	8,661	8,711	10,703	36,243	35,405	838
Premium Taxes	6,384	6,736	6,618	6,319	26,057	26,247	(190)
Regulatory/Appeal	718	874	789	789	3,170	3,154	16
<b>Total Expenses</b>	<b>32,625</b>	<b>33,525</b>	<b>34,214</b>	<b>36,129</b>	<b>136,493</b>	<b>136,207</b>	<b>286</b>
<b>Underwriting Income (Loss)</b>	<b>35,024</b>	<b>(16,757)</b>	<b>4,434</b>	<b>(1,424)</b>	<b>21,277</b>	<b>25,795</b>	<b>(4,518)</b>
<b>Investment Income (Loss)</b>	<b>(15,187)</b>	<b>1,903</b>	<b>(3,525)</b>	<b>(3,624)</b>	<b>(20,433)</b>	<b>(10,830)</b>	<b>(9,603)</b>
<b>Net Income (Loss) From Operations</b>	<b>19,837</b>	<b>(14,854)</b>	<b>909</b>	<b>(5,048)</b>	<b>844</b>	<b>14,965</b>	<b>(14,121)</b>

Note 1 - Other than the adjustment noted in note 2, Q3 and Q4 forecast have been assumed to equate to the original budget for these quarters. Actual claims experience can vary significantly from budget due to winter weather.

Note 2 - Claims incurred has been reduced by \$18.1M in Q4 related to the anticipated PFAD interest adjustment for the first six months. The budget for Q3 and Q4 already include the balance of the total \$36.2M adjustment.

**MANITOBA PUBLIC INSURANCE**  
**BASIC INSURANCE - STATEMENT OF EXPENSES**  
**2015/16 Current Forecast vs 2016 Rate Application Forecast**

(C\$ 000s, except where noted)

	Q1-Actual	Q2-Actual	Note 1		Current Forecast	2016 Rate	Current vs 2016
			Q3-Budget	Q4-Budget	@ August 31/2015 Total	Application Forecast Total	rate application Difference
Compensation - Salaries	23,369	23,145	23,259	23,429	93,202	93,784	(582)
Compensation - Overtime	346	330	361	363	1,400	1,455	(55)
Compensation - Benefits	5,856	5,209	5,326	5,365	21,756	21,475	281
Compensation - H & E Tax	503	460	518	521	2,002	2,087	(85)
<b>Sub Total - Compensation</b>	<b>30,074</b>	<b>29,144</b>	<b>29,464</b>	<b>29,678</b>	<b>118,360</b>	<b>118,801</b>	<b>(441)</b>
Data Processing	4,698	4,231	5,645	5,686	20,260	22,760	(2,500)
Special Services	1,228	1,714	1,811	1,824	6,577	7,302	(725)
Building Expenses	1,916	2,661	2,433	2,451	9,461	9,811	(350)
Safety / Loss Prevention Program	748	937	890	896	3,471	3,587	(116)
Telephone/Telecommunications	501	487	448	451	1,887	1,806	81
Advertising & Public Info	313	918	602	607	2,440	2,428	12
Printing, Stationery & Supplies	376	398	354	356	1,484	1,426	58
Postage	732	768	695	700	2,895	2,803	92
Regulatory / Appeal	719	874	782	788	3,163	3,154	9
Travel & Vehicle Expense	174	222	300	303	999	1,211	(212)
Driver Education Program	719	1,039	882	889	3,529	3,557	(28)
Grant in Lieu of Taxes	372	372	369	372	1,485	1,488	(3)
Furniture & Equipment	116	90	142	143	491	573	(82)
Merchant Fees	1,985	1,698	1,657	1,669	7,009	6,682	327
Other	989	1,470	1,363	1,373	5,195	5,496	(301)
<b>Sub total - Other Expenses</b>	<b>15,586</b>	<b>17,879</b>	<b>18,373</b>	<b>18,508</b>	<b>70,346</b>	<b>74,084</b>	<b>(3,738)</b>
Depreciation of Capital Investments	1,129	1,113	1,125	1,133	4,500	4,535	(35)
Amortization of Deferred Development	3,078	2,916	2,400	2,417	10,811	9,676	1,135
<b>Subtotal - Depreciation / Amortization</b>	<b>4,207</b>	<b>4,029</b>	<b>3,525</b>	<b>3,550</b>	<b>15,311</b>	<b>14,211</b>	<b>1,100</b>
<b>Total Expenses</b>	<b>49,867</b>	<b>51,052</b>	<b>51,362</b>	<b>51,736</b>	<b>204,017</b>	<b>207,096</b>	<b>(3,079)</b>

Note 1 - Q3 and Q4 forecast have been assumed to equate to the original budget for these quarters.