

**NEVER KNEW** (to be sung to the tune of "Both Sides Now" by Joni Mitchell) by Rod Keefer, FSA, MAAA

You set aside funds to be sure  
You'll need one dollar, add one more  
The Regulators will adore  
Your efforts to be strong

But then consider surplus strain  
You held it once, why hold again?  
Investors need to see a gain  
To stay in business long

I've seen reserves from both sides now  
From high to low and yet somehow  
The safety margins rise and fall  
I never knew reserves . . . at . . . all

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Strong selling makes the company grow  
You hit your goals, you steal the show  
Create a healthy net cash flow  
Enhance the bottom line

But running too hot can deceive  
Soon you'll need capital relief  
How can you make owners believe?  
They see the warning signs

I've looked at sales from both sides now  
The ebbs and flows and yet somehow  
Ambitious forecasts hit a wall  
I really don't know sales . . . at . . . all

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Investments in technology  
Protecting the ecology  
It's enterprise biology  
You spend so you can grow

But when costs get out of control  
You waste too much, you're in the hole  
Red bottom lines will take their toll  
You must learn to say "no"

I've seen expense from both sides now  
The stop-and-go and yet somehow  
Expenditures bounce like a ball  
I really don't get costs . . . at . . . all

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The income statement, balance sheet  
With quarter-end deadlines to meet  
Claim trend analysis complete  
Review meeting arranged

Budget projections underway  
Update our models every day  
See what Accounting has to say  
"Why did this number change?"

I've seen finance from both sides now  
The debits, credits, yet somehow  
Cross check illusions, large and small  
I never got the books . . . at . . . all

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The statutory's black and white  
Assets on left, debts on the right  
It rarely changes, though it might  
Who knows the reasons why

With acquisition costs deferred  
They match to income, spread the word  
That could be changing, so I've heard  
It's called LDTI

I've looked at GAAP from both sides now  
Accrued, unlocked, and yet somehow  
Shadow adjustments, market calls  
I never quite knew GAAP . . . at . . . all

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So that's the business you support  
It's not game, much less a sport  
The goal is to stay out of court  
And keep your record clean

Perhaps one day the world will know  
Selected by the CEO  
Then wonder, where'd your free time go  
It's lost in the machine

I've seen the view from both sides now  
I made it big and yet somehow  
I can't help feeling very small  
I'll never know this job . . . at . . . all

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