

WISCONSIN INSURANCE SECURITY FUND
FINANCIAL STATEMENTS – MODIFIED CASH BASIS
December 31, 2020 and 2019



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WISCONSIN INSURANCE SECURITY FUND

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December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the Board of Directors
Wisconsin Insurance Security Fund
Madison, Wisconsin

We have audited the accompanying financial statements, which are comprised of the statements of assets and fund balances – modified cash basis of the Wisconsin Insurance Security Fund (the Fund) as of December 31, 2020 and 2019, and the related statements of revenue, expenses, and changes in fund balances – modified cash basis for the years then ended.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 2 to the financial statements; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion, except for the items marked “unaudited” for which we express no opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and fund balances as of December 31, 2020 and 2019, and its revenue, expenses, and changes in fund balances for the years then ended, in accordance with the modified cash basis of accounting as described in Note 2.

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Strohm Ballweg, LLP

Madison, Wisconsin
February 8, 2021

WISCONSIN INSURANCE SECURITY FUND
STATEMENTS OF ASSETS AND FUND BALANCES – MODIFIED CASH BASIS
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 4,684,710	\$ 2,612,772
Certificates of deposit	18,476,274	15,136,633
Bonds	7,050,337	13,983,816
Bond mutual fund	<u>993,939</u>	<u>993,939</u>
 Total assets	 31,205,260	 32,727,160
 Commitments and contingencies (see Notes 10 through 16)	 <u>-</u>	 <u>-</u>
 FUND BALANCES	 <u>\$ 31,205,260</u>	 <u>\$ 32,727,160</u>

See Notes to Financial Statements.

WISCONSIN INSURANCE SECURITY FUND
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN FUND BALANCES – MODIFIED CASH BASIS
For the Years Ended December 31, 2020 and 2019

	Liquidations/Rehabilitations						Administration Account		Fund Total	
	Property and Casualty		Life and Annuity		Disability		2020	2019	2020	2019
	2020	2019	2020	2019	2020	2019				
REVENUE										
Assessments received (rescinded) \$	-	-	-	-	-	-	-	329,250	-	329,250
Liquidation distributions	684,509	3,225,175	19,104	-	2,921	420,438	-	-	706,533	3,645,613
Interest	351,363	382,623	77,323	89,255	101,683	130,300	1,700	4,876	532,069	607,054
Premium income	-	-	-	-	665,920	720,262	-	-	665,920	720,262
Total revenue	1,035,872	3,607,798	96,427	89,255	770,524	1,271,000	1,700	334,126	1,904,522	5,302,179
EXPENSES										
Claims	797,793	713,931	(13,415)	7,381	1,444,498	1,747,989	-	-	2,228,876	2,469,301
Claim adjustment expenses	21,232	257,187	-	-	-	500	-	-	21,232	257,687
Other expenses	11,282	44,659	11,476	11,623	71,815	27,751	-	-	94,572	84,033
Administrative expenses	491,068	490,753	48,912	58,001	334,144	292,712	216,726	183,548	1,090,850	1,025,014
Total expenses	1,321,375	1,506,530	46,973	77,005	1,850,457	2,068,952	216,726	183,548	3,435,530	3,836,035
Changes in fund balances	(285,503)	2,101,268	49,454	12,250	(1,079,933)	(797,952)	(215,026)	150,578	(1,531,008)	1,466,144
Fund balance, beginning of year	21,851,796	19,750,528	4,402,689	4,390,438	6,232,596	7,030,548	240,080	56,414	32,727,160	31,227,928
Prior year adjustment	-	-	-	-	9,108	-	-	33,088	9,108	33,088
Fund balance, end of year	\$ 21,566,293	\$ 21,851,796	\$ 4,452,143	\$ 4,402,688	\$ 5,161,771	\$ 6,232,596	\$ 25,054	\$ 240,080	\$ 31,205,260	\$ 32,727,160

See Notes to Financial Statements.

Note 1 ~ Organization

The Wisconsin Insurance Security Fund (the Fund), a Wisconsin non-profit entity, was organized in 1969 pursuant to provisions of Wisconsin Statutes, Chapter 646, since amended. The Fund includes direct licensed insurers authorized to do business in Wisconsin with limited additions and exceptions. Also, as outlined in Chapter 646, certain lines of business written in Wisconsin are excluded from Fund coverage.

The main purposes of the Fund are:

- a. To maintain public confidence in the promises of insurers by providing a mechanism for protecting insureds from excessive delay and loss in the event of liquidation of insurers, and by assessing the cost of such protection among insurers; and
- b. To provide, where appropriate, for the continuation of protection under policies and supplemental contracts of life insurance, disability insurance, and annuities.

The Fund is administered by a Board of Directors (the Board) which consists of 14 members. The Attorney General, the State Treasurer, and the Commissioner of Insurance are members with full voting rights. Other members are chosen from representatives of insurers subject to Chapter 646 under procedures approved by the Commissioner of Insurance.

Chapter 646 creates six segregated accounts: one for life insurance; one for allocated annuities; one for disability insurance other than policies issued or covered by a health maintenance organization (HMO) insurer; one for HMO insurers; one for all other kinds of insurance subject to this chapter (namely, property and casualty); and an administration account.

The Fund operates with three full-time employees and one part-time employee. Consultants, third-party administrators, and temporary employees are utilized as necessary. Administrative expenses incurred in connection with actual liquidations are allocated to the appropriate account. Non-allocated expenses remain in the administration account.

Per Chapter 646, the Board of the Fund may make short-term asset transfers from one account to another.

The Fund is authorized to levy two different types of assessments. Administrative assessments are authorized by the Board on a prorated or nonprorated basis to meet administrative costs and other expenses whether or not related to the liquidation or rehabilitation of a particular insurer. The other type of assessment is a premium assessment where the Board periodically authorizes assessments of insurers within each account delineated in the statute for covered insurance policies to fund the cost of claims and continuation of coverage for policyholders as defined in the statutes.

WISCONSIN INSURANCE SECURITY FUND
NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS
December 31, 2020 and 2019

Note 1 ~ Organization (Continued)

The Fund files a proof of claim in each liquidation estate for administration expenses and claim payments. If the liquidator determines that there are sufficient assets, a liquidation distribution may be made to the Fund. These distributions may be either in the form of early access distributions, or final distributions when the liquidated estate is closed, or both. The fund also has premium income from policyholders and contract holders of insolvent member insurers, which is recognized when received.

Note 2 ~ Summary of Significant Accounting Policies

Basis of Presentation. The Fund prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this basis, revenues are recognized when collected rather than when earned, and expenditures are recognized when paid rather than when incurred, except for certain expenditures for capital items. Consequently, items such as assessments receivable from insurers, amounts due from large net worth insureds, amounts payable on life/annuity liquidation agreements, unpaid claims, unpaid claim adjustment expenses, and amounts due for services rendered are not included in the financial statements.

Cash and Investments. Cash and cash equivalents include variable interest rate accounts that can be withdrawn on demand and money market funds. The Fund has on deposit in a financial institution balances in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC). The Fund does not believe it is exposed to any significant credit risk on the uninsured amounts. Investments consist of certificates of deposit, municipal bonds, U.S. government agency notes, and a bond mutual fund, all of which are classified as held-to-maturity and are carried at cost.

The cost and fair value of bonds and bond mutual funds at December 31, 2020 and 2019, were as follows:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<u>2020</u>				
Municipal	\$ 1,720,544	\$ 32,330	\$ -	\$ 1,752,874
U.S. government agency	5,329,793	54,946	(163)	5,384,576
Bond mutual fund	993,939	4,031	-	997,970
	<u>\$ 8,044,276</u>	<u>\$ 91,307</u>	<u>\$ (163)</u>	<u>\$ 8,135,420</u>
<u>2019</u>				
Municipal	\$ 1,923,774	\$ 3,335	\$ (3,450)	\$ 1,923,659
U.S. government agency	12,060,042	38,774	(18,605)	12,080,211
Bond mutual fund	993,939	2,050	-	995,989
	<u>\$ 14,977,755</u>	<u>\$ 44,159</u>	<u>\$ (22,055)</u>	<u>\$ 14,999,859</u>

Note 2 ~ Summary of Significant Accounting Policies (Continued)

The Fund uses a provider of market data and analytics to estimate the fair value of each bond.

The cost and fair value of bonds at December 31, 2020, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties:

	Cost	Fair Value
Due within one year	\$ 3,331,372	\$ 3,361,390
Due after one year through five years	3,646,165	3,698,314
Due after five years through ten years	72,800	77,746
	\$ 7,050,337	\$ 7,137,450

Allocation of Expenses. A significant portion of the expenses paid in the administration account are incurred on behalf of liquidation estates. The Fund’s personnel report time spent on specific liquidation matters, which forms the basis for the quarterly allocation of expenses from the administration account to each liquidation account. One additional expense that was allocated to each property and casualty liquidation starting in the fourth quarter of 2016 is the cost of the Claims Management and Financial Tracking System (CMFTS) (claims) system. The total cost of the CMFTS system, approximately \$320,000, was paid in 2015 and 2016, and will be allocated evenly over five years. An additional expense was allocated to each disability liquidation starting in the first quarter of 2019 relating to the installation costs of the FIMMAS (claims) system. The total cost of the FIMMAS system, approximately \$51,000, was paid in 2017 and 2018, and will be allocated evenly over five years.

Allocation of Interest Income. Interest income received is allocated to specific insolvencies based on the respective fund balances.

Income Tax. The Fund is a tax-exempt organization under the provisions of Section 501(c)(6) of the Internal Revenue Code. The Fund is also exempt from Wisconsin income taxation.

Subsequent Events. Subsequent events were evaluated through February 8, 2021, which is the date the financial statements were available to be issued.

Note 3 ~ Assessments – Property and Casualty

Approved assessments are calculated as a percentage of premiums written in Wisconsin by each insurer in the classes protected by the account for the year preceding the year in which the Board authorized the assessment. The original premium data is obtained from the Office of the Commissioner of Insurance (the OCI). The Fund has an annual capacity to collect assessments of approximately \$207,367,000 (unaudited) per the latest available data (2019).

Note 4 ~ Assessments – Life and Annuity

Approved assessments are calculated as a percentage of the average annual premiums written in Wisconsin by each insurer in the classes protected by the account for the three years preceding the year of the entry of the order of liquidation. The original premium data is obtained from a data survey prepared by the National Organization of Life and Health Guaranty Associations (NOLHGA) in cooperation with the National Association of Insurance Commissioners.

The Fund has an annual capacity to collect assessments of approximately \$54,205,000 (life, unaudited) and \$91,622,000 (annuity, unaudited) per the latest available data (2019).

Note 5 ~ Assessments – Disability/HMO

Approved assessments for the disability account are calculated as a percentage of premiums written in Wisconsin by each insurer in the classes protected by the account for the year preceding the year in which an assessment is authorized. The original premium data is obtained from a data survey prepared by NOLHGA. The Fund has an annual capacity to collect assessments of approximately \$117,351,000 (unaudited) per the latest available data (2019).

The Fund has an annual capacity to collect assessments of approximately \$104,417,000 (unaudited) in the HMO account per the latest available data (2019). The original premium data is obtained from a data survey prepared by NOLHGA and a report from the OCI. HMOs are required to prepay one percent of this assessment capacity and the OCI currently holds deposits exceeding 50 percent of assessment capacity. Assessments for the HMO account would be calculated based on the premium for the year preceding the authorization of assessment. The Fund has never levied or called an assessment in the HMO account.

Note 6 ~ Assessments – Administration

The statute allows the Fund to levy an administrative assessment of up to \$500 per year on all covered companies. The Fund collected a \$250 administrative assessment per member in 2019, which totaled \$329,250. There was no administrative assessment in 2020. The annual capacity to collect administrative assessments is approximately \$664,000 (unaudited, 2020).

WISCONSIN INSURANCE SECURITY FUND
NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS
December 31, 2020 and 2019

Note 7 ~ Liquidation Distributions – Property and Casualty

During 2020 and 2019, the Fund received distributions or early access payments of \$684,509 and \$3,225,175, respectively, from property and casualty liquidations. The following is a breakdown of the amounts received in 2020:

Liquidation	Amount	Description
Ullico Casualty	\$ 22,265	Administrative expenses
Home	33,961	Early access
Lumbermans Mutual Group	70,902	Administrative expenses/early access
Affirmative	15,643	Early access
Millers First	7,165	Early access
Lumbermans Underwriting Alliance	332,350	Early access
Mission Group	<u>202,223</u>	Final distribution
Total	<u>\$ 684,509</u>	

For distributions received prior to an estate closing, the liquidator retains the ability to require a return of funds from a guaranty fund (clawback) for reallocation in the final distribution of the estate.

Note 8 ~ Liquidation Distributions – Life and Annuity

During 2020 and 2019, the Fund received distributions or assets of \$19,104 and \$0, respectively, from life and annuity estates. The following is a breakdown of the amounts received in 2020:

Liquidation	Amount	Description
NOLHGA/ELIC Final	<u>\$ 19,104</u>	Final distribution

Note 9 ~ Liquidation Distributions – Disability

During 2020 and 2019, the Fund received distributions of assets of \$2,921 and \$420,438, respectively, from disability estates. The following is a breakdown of the amounts received in 2020:

Liquidation	Amount	Description
SeeChange Health	\$ 1,386	Final distribution
Centennial Life	<u>1,535</u>	Final distribution
Total	<u>\$ 2,921</u>	

Note 10 ~ Other Recoveries

Chapter 646 of the Wisconsin Statutes limits the Fund’s obligations to named insureds with a large net worth. If the net worth of a named insured is greater than \$25,000,000, the Fund is not ultimately financially responsible for the claims unless the aggregate claims exceeds 10 percent of the insured’s net worth. For the years ended December 31, 2020 and 2019, the Fund has received reimbursement from large net worth insureds totaling \$83,027 and \$166,012, respectively. The Fund also receives reimbursement from the Workers Compensation Supplemental Benefit Fund (Supplemental Benefit Fund). In 2020, the Supplemental Benefit Fund made reimbursements for claim years 2017 and 2018 to the Fund totaling \$394,572. In 2019, the Supplemental Benefit Fund made reimbursements for claim years 2015 and 2016 to the Fund totaling \$549,651. These recoveries are netted against claims and claim adjustment expenses paid within the financial statements. The Fund has outstanding claims for supplemental benefits paid from 2019 to 2020.

Note 11 ~ Estimated Unpaid Claims and Claim Adjustment Expenses – Property and Casualty

As of December 31, 2020 and 2019, the Fund estimated the unpaid claims and claim adjustment expenses to be approximately \$22,209,742 (unaudited) and \$23,700,000 (unaudited), respectively. These amounts are estimates and the ultimate settlements will vary from the amounts indicated. These amounts will be offset by net worth insured recoveries, supplemental benefit reimbursements from the state of Wisconsin, future liquidation distributions received from receivers, and assessments received from insurers.

Liquidations with amounts included in this liability are Affirmative, American Country, American Mutual, Atlantic Mutual, Carriers, Castlepoint National, Casualty Reciprocal, Centennial, Freestone, Fremont Indemnity, Gateway, Home, Ideal Mutual, Imperial Casualty, Insurance Corp of NY, Iowa National, Lumbermans Underwriting Alliance, Lumbermans Mutual Group, Millers First, Northwestern National, Reliance, Shelby, and Ullico Casualty.

Note 12 ~ Net Ultimate Liabilities – Life and Annuity

The Fund may receive revised liability estimates for insurers currently in liquidation. These liability amounts are subject to change due to fluctuating interest rates, asset valuations, experience of assumed blocks of business, and other variables.

Insolvencies with liabilities include only Executive Life and Lincoln Memorial Life. As of December 31, 2020 and 2019, estimates of the liability to the Fund were approximately \$90,285 (unaudited) and \$123,900 (unaudited), respectively. These amounts will be offset by future distributions received from receivers and assessments received from insurers.

Note 13 ~ Net Ultimate Liabilities – Disability

Insolvencies with liabilities include National States and Penn Treaty. The estimated current value of the liability for the disability insolvency account was approximately \$13,400,000 (unaudited) and \$14,100,000 (unaudited) as of December 31, 2020 and 2019, respectively. These amounts will be offset by future distributions received from receivers and assessments received from insurers.

Note 14 ~ Estate Closings

Numerous estates, including American Mutual, Casualty Reciprocal, Ideal Mutual, Imperial, Midland, National States, Shelby, Red Rock, and Reliance, are in the process of being closed. After these closings, the estates will make no future distributions, and the Fund will be liable for all remaining claim and expense payments. No liquidation estates were closed in 2020. Carriers, Fremont, ICM, Iowa National, Intercontinental, Legion, and Villanova, previously closed estates, are not expected to make any future distributions to the Fund.

Note 15 ~ Retirement Plans

The Fund is a participating employer in the Pension Plan for Insurance Organizations (PPIO), which is a qualified non-contributory defined benefit pension plan covering substantially all employees of the Fund. After meeting certain qualifications, an employee acquires a vested right to future benefits. The benefits payable under the plan are generally determined on the basis of an employee's length of employment and career average salary. The Fund closed pension plan participation to new employees hired after December 31, 2016. The plan is currently funded at a level that approximates the estimated benefits. The expenses related to this plan were \$47,462 and \$52,800 for the years ended December 31, 2020 and 2019, respectively. The PPIO plan was frozen in early 2020 with respect to benefits accrued to employees.

The Fund also has a defined contribution plan pursuant to Section 401(k) of the Internal Revenue Code that covers all employees who work at least a 12-month period. The Fund, at its discretion, matches employee contributions up to a maximum of 75 percent of the first 6 percent of compensation. The Fund also provided for a discretionary payment up to 7 percent of compensation for employees who were not eligible for the pension plan. The expenses related to this plan were \$42,130 and \$21,175 for the years ended December 31, 2020 and 2019, respectively.

Note 16 ~ Litigation

The Fund is involved in legal proceedings, claims, and liquidations arising in the ordinary course of business. This includes pending or threatened litigation with respect to various loss claims under insurance policies issued by insurers in liquidation, and numerous pending claims against liquidators for reimbursement of claims paid and loss adjustment expenses paid. The resolution of these matters cannot be predicted at this time. Any liability that would arise out of litigation would be recovered by the Fund through assessments of the insurers for the respective liquidations.

Note 17 ~ Commitments

The Fund leases office space under a rental agreement that expires May 31, 2024. Future minimum payments on the noncancelable lease as of December 31, 2020, are as follows:

<u>Years Ending December 31,</u>	
2021	\$ 34,718
2022	34,718
2023	34,718
2024	<u>14,466</u>
	<u>\$ 118,620</u>

The Fund is a member of the Insurance Guaranty Association Purchasing Group (IGAPG) CMFTS subgroup. The CMFTS allocates its expenses, which includes the contract with Insurity to host and support the ClaimsXpress software through an assessment. The Fund as a member is subject to an assessment. CMFTS expenses are assessed based on a formula that allocates certain expenses equally among the 10 member associations and others proportionally based on rolling three years average of assessable premium. The current Insurity contract extension for hosting and support of ClaimsXpress runs through April 30, 2025, with an additional 5-year extension option. The CMFTS expense allocations are dependent on the size of the total group budget, relative assessable premium among members and overall membership size. The current projection for the Fund's share of the CMFTS activities, including ClaimsXpress, are the following:

2021	\$ 57,679
2022	67,500
2023	70,700
2024	73,500

**INDEPENDENT AUDITOR'S REPORT ON THE
SUPPLEMENTARY INFORMATION**

To the Board of Directors
Wisconsin Insurance Security Fund
Madison, Wisconsin

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Strohm Ballweg, LLP

Madison, Wisconsin
February 8, 2021

WISCONSIN INSURANCE SECURITY FUND

REVENUE AND EXPENSES BY LIQUIDATION – PROPERTY AND CASUALTY LIQUIDATIONS/REHABILITATIONS – MODIFIED CASH BASIS

For the Year Ended December 31, 2020

Company (State-Year of Liquidation)	Assessments Received	Liquidation Distributions	Interest	Claims	Claim Adjustment Expenses	Other Expenses	Allocated Admin Expenses	Assessment Refunds	Transfers	Change in Fund Balance
Affirmative Ins Co (IL-2016)	\$ -	\$ 15,643	\$ (1,276)	\$ (18,860)	\$ (13)	\$ -	\$ (11,803)	\$ -	\$ -	\$ (16,309)
American Country (IL-2020)	-	-	(44)	-	(1,584)	(2,120)	(12,652)	-	-	(16,400)
American Mutual (MA-1989)	-	-	75,408	(29,923)	(10,407)	-	(38,070)	-	-	(2,992)
Atlantic Mutual (NY-2011)	-	-	(5,396)	-	-	-	(4,959)	-	-	(10,355)
Carriers (IA-1986)	-	-	36,103	2,750	(212)	-	(8,190)	-	-	30,451
Castlepoint National (CA-2017)	-	-	(23,040)	(51,059)	(75,781)	-	(22,644)	-	-	(172,524)
Casualty Reciprocal (MO-2004)	-	-	(11,300)	21,820	-	-	(10,546)	-	-	(26)
Centennial Ins (NY-2011)	-	-	(16,259)	3,886	(2,233)	-	(10,107)	-	-	(24,713)
Freestone (DE-2014)	-	-	(27,604)	(73,513)	(2,426)	-	(22,641)	-	-	(126,184)
Fremont Indemnity (CA-2003)	-	-	90,614	(342,963)	(47,262)	-	(34,890)	-	-	(334,501)
Gateway (IL-2020)	-	-	(391)	(70,000)	(11,543)	(6,932)	(48,664)	-	-	(137,530)
HIH America (CA-2001)	-	-	19,743	-	-	-	(1,226)	-	-	18,517
Home (NH-2003)	-	33,961	18,247	26,729	(1,085)	(1,520)	(37,318)	-	-	39,014
ICM (NY-2013)	-	-	167	-	-	-	(2,602)	-	-	(2,435)
Ideal Mutual (NY-1985)	-	-	90,603	44,776	(1,690)	-	(9,397)	-	-	124,292
Imperial Casualty (OK-2010)	-	-	(9,877)	(4,545)	(5,867)	-	(8,438)	-	-	(28,727)
Insurance Corp (NY-2010)	-	-	(9,698)	(6,713)	(1,805)	-	(9,437)	-	-	(27,653)
Intercontinental (IL-1990)	-	-	(5,226)	-	-	-	-	-	-	(5,226)
Iowa National (IA-1985)	-	-	14,902	(15,055)	(4,014)	-	(17,097)	-	-	(21,264)
Legion (PA-2003)	-	-	(25,121)	-	-	-	(1,390)	-	-	(26,511)
Lumbermans Underwriting Alliance (LUA) (MO-2016)	-	332,350	(16,501)	(162,582)	133,201	(600)	(44,119)	-	-	241,749
Lumbermans (IL-2013)	-	70,902	(27,036)	(54,158)	12,738	-	(77,767)	-	-	(75,321)
Midland (NY-1986)	-	-	18,496	-	-	-	(408)	-	-	18,088
Millers First Ins Co (IL-2017)	-	7,165	(1,613)	(35,762)	(136)	-	(7,058)	-	-	(37,404)
Northwestern National Ins Co (WI-2019)	-	-	(1,903)	-	-	(110)	(14,559)	-	-	(16,572)
Red Rock (OK-2014)	-	-	(227)	-	-	-	-	-	-	(227)
Reinsurance Corp (IL-2011)	-	-	(2,433)	-	-	-	(2,306)	-	-	(4,739)
Reliance (PA-2001)	-	-	126,696	(14,511)	(785)	-	(13,078)	-	-	98,322
Shelby (TX-2006)	-	-	12,035	(17,056)	(261)	-	(11,872)	-	-	(17,154)
Statewide (IL-2004)	-	-	(246)	-	-	-	(640)	-	-	(886)
Transit Casualty (MO-1985)	-	-	53,131	-	-	-	-	-	-	53,131
Ullico Casualty (DE-2013)	-	22,265	(13,509)	(1,054)	(67)	-	(7,190)	-	-	445
Villanova (PA-2003)	-	-	(6,082)	-	-	-	-	-	-	(6,082)
Composite	-	202,223	-	-	-	-	-	-	-	202,223
Totals	\$ -	\$ 684,509	\$ 351,363	\$ (797,793)	\$ (21,232)	\$ (11,282)	\$ (491,068)	\$ -	\$ -	\$ (285,503)

WISCONSIN INSURANCE SECURITY FUND
REVENUE AND EXPENSES BY LIQUIDATION – LIFE AND ANNUITY LIQUIDATIONS/REHABILITATIONS – MODIFIED CASH BASIS
For the Year Ended December 31, 2020

Company (State-Year of Liquidation)	Assessments Received	Liquidation Distributions	Interest	Premium Income	Claims	Claim Adjustment Expenses	Other Expenses	Allocated Admin Expenses	Assessment Refunds	Transfers	Change in Fund Balance
Executive Life (CA-1991)	\$ -	\$ 19,104	\$ 25,275	\$ -	\$ 13,415	\$ -	\$ (1,466)	\$ (8,166)	\$ -	\$ -	\$ 48,162
Lincoln Memorial Life (TX-2008)	-	-	(12,058)	-	-	-	(620)	(3,555)	-	-	(16,233)
London Pacific Life (NC-2004)	-	-	64,106	-	-	-	-	(16,584)	-	-	47,522
Composite	-	-	-	-	-	-	(9,390)	(20,607)	-	-	(29,997)
Totals	<u>\$ -</u>	<u>\$ 19,104</u>	<u>\$ 77,323</u>	<u>\$ -</u>	<u>\$ 13,415</u>	<u>\$ -</u>	<u>\$ (11,476)</u>	<u>\$ (48,912)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,454</u>

WISCONSIN INSURANCE SECURITY FUND
REVENUE AND EXPENSES BY LIQUIDATION – DISABILITY LIQUIDATIONS/REHABILITATIONS – MODIFIED CASH BASIS
For the Year Ended December 31, 2020

Company (State-Year of Liquidation)	Assessments Received	Liquidation Distributions	Interest	Premium Income	Claims	Claim Adjustment Expenses	Other Expenses	Allocated Admin Expenses	Assessment Refunds	Transfers	Change in Fund Balance
Legion (PA-2003)	\$ -	\$ -	\$ 40,163	\$ -	\$ -	\$ -	\$ (24)	\$ -	\$ -	\$ -	\$ 40,139
National States (MO-2010)	-	-	1,865	23,408	(40,180)	-	(438)	(40,448)	-	-	(55,793)
Penn Treaty (PA-2017)	-	-	62,267	642,512	(1,404,318)	-	(7,435)	(233,330)	-	-	(940,304)
NNIC (WI-2019)	-	-	-	-	-	-	(110)	(833)	-	-	(943)
SeeChange Health (CA-2015)	-	1,386	(1,273)	-	-	-	(10)	-	-	-	103
Reliance (PA-2001)	-	-	(1,072)	-	-	-	(153)	-	-	-	(1,225)
Villanova (PA-2003)	-	-	(267)	-	-	-	-	-	-	-	(267)
Composite	-	1,535	-	-	-	-	(63,645)	(59,533)	-	-	(121,643)
Totals	<u>\$ -</u>	<u>\$ 2,921</u>	<u>\$ 101,683</u>	<u>\$ 665,920</u>	<u>\$ (1,444,498)</u>	<u>\$ -</u>	<u>\$ (71,815)</u>	<u>\$ (334,144)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,079,933)</u>