

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation
Sawgrass Mutual Insurance Company in Liquidation
Statement of Affairs
9/30/2020**

	Estimated Realizable Value
ASSETS	
Pooled Cash in SPIA Due from the Admin Fund	\$525,778.09
Accrued Interest Receivable	901.75
Total Assets	\$526,679.84
LIABILITIES	
State Regulatory Trust Fund Payable	362,000.00
Class 2 Loss Claims	
Class 2 - Other	540,703.56
Class 3 Unearned Premium Claims under Non-assessable Policies	
Class 3 - Other	135,991.41
Class 4 Federal Government Claims	1,459,804.56
Class 5 Employee Claims	1.00
Class 6 General Creditor Claims	
Class 6 - Other	8,203,375.19
Class 8 Late Filed Claims	154,374.18
Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies	
Class 9 - Other	30,000,000.00
Class 11 Shareholder Claims	9,639.28
Total Liabilities	\$40,865,889.18
EQUITY	
Contributed Equity - State of Florida	11,576.31
Estate Equity	(40,350,785.65)
Excess (Deficiency) of Assets over Liabilities	(\$40,339,209.34)
Total Liabilities and Equity	\$526,679.84

**Florida Department of Financial Services, Division of Rehabilitation and
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Sawgrass Mutual Insurance Company in Liquidation

Statement of Cash Receipts and Disbursements

From the Date of Liquidation through 9/30/2020

	<u>Fiscal Year to Date</u>	<u>Since Date of Liquidation</u>
CASH RECEIPTS		
Advance Insurance Regulatory Trust Fund	\$0.00	\$362,000.00
Other Collections / Recoveries	(468.13)	301,968.42
Receipts Before Investment Activities	(468.13)	663,968.42
Interest and Dividend Receipts	3,372.86	31,051.41
Receipts From Investment Activities	3,372.86	31,051.41
Total Cash Receipts	<u>2,904.73</u>	<u>695,019.83</u>
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	529.97	140,380.29
Salaries and Fringe Benefits	13,213.64	393,354.71
Employee Welfare	2.43	81.11
Travel Expenses	0.00	1,841.57
Admin Expenses	0.32	192.92
Equipment and Furniture Expenses	23.44	108.45
Rent, Building and Equipment	12.90	740.05
Taxes	0.00	6.94
Disbursements	<u>13,782.70</u>	<u>536,706.04</u>
Distributions		
Loss Claims (Class 2)	0.00	0.00
Unearned Premium-Non-Assessable Policies Claims (Class 3)	0.00	0.00
Federal Government Claims (Class 4)	0.00	0.00
Employee Claims (Class 5)	0.00	0.00
General Creditors Claims (Class 6)	0.00	0.00
Late Filed Claims (Class 8)	0.00	0.00
Surplus Notes/Unearned Premium-Assessable Policies Claims (Class 9)	0.00	0.00
Shareholder Claims	<u>0.00</u>	<u>0.00</u>
Total Distributed	0.00	0.00
Disbursements & Distributions Before Investment Activities	13,782.70	536,706.04
Financial Expenses	172.89	2,133.65
Disbursements for Investment Activities	<u>172.89</u>	<u>2,133.65</u>
Total Cash Disbursements & Distributions	<u>13,955.59</u>	<u>538,839.69</u>
 Net Increase (Decrease) in Cash	 <u>(11,050.86)</u>	 <u>156,180.14</u>
 Beginning Cash Balance:		
Beginning Cash	536,828.95	370,828.95
Adjustments to Beginning Cash	0.00	(1,231.00)
Adjusted Beginning Cash Balance	<u>536,828.95</u>	<u>369,597.95</u>
 Ending Cash Balance	 <u>525,778.09</u>	 <u>525,778.09</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sawgrass Mutual Insurance Company
Schedule of Accrued Interest Receivable
For the Three Months Ended September 30, 2020

Accrued Interest Receivable

<u>Due from</u>	<u>Account</u>	<u>Balance 7/1/20</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance 9/30/20</u>
State Treasury	SPIA, 4-20-0-010000-00000	941.95	3,169.47	(3,209.67)	901.75
Totals:		<u>941.95</u>	<u>3,169.47</u>	<u>(3,209.67)</u>	<u>901.75</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sawgrass Mutual Insurance Company
Schedule of State Regulatory Trust Fund Payable
For the Three Months Ended September 30, 2020

State Regulatory Trust Fund Payable

<u>Description</u>	<u>Balance 7/1/20</u>	<u>Interest</u>	<u>Adjustments</u>	<u>Balance 9/30/20</u>
State Regulatory Trust Fund Payable	362,000.00	0.00	0.00	362,000.00
Totals:	362,000.00	0.00	0.00	362,000.00

The accompanying notes & schedules are an integral part of these financial statements
UNAUDITED

**Florida Department of Financial Services, Division of Rehabilitation
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Sawgrass Mutual Insurance Company in Liquidation
Notes to Financial Statements

Dated September 30, 2020

1. **Estate Information.** Sawgrass Mutual Insurance Company was a property and casualty company domiciled in Florida and placed in liquidation on October 1, 2018.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on a modified cash basis of accounting using a fiscal year of July 1, 2020 through June 30, 2021. The assets are stated at their estimated realizable values, while the liabilities are stated at their gross filed amounts and are periodically adjusted as evaluated, adjudicated and/or paid. Interest is accrued and reinsurance receivables are only posted when billed to reinsurers. In addition, the statements do not provide accruals for all future administrative expenses to liquidate the estate or costs to pursue or litigate claims against others.
3. **Unaudited.** The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with generally accepted accounting principles.
4. **Pooled Investments.** The majority of the invested assets of the estates are combined into two main pooled accounts: The Receiver's operating account held at Wells Fargo and the Special Purpose Investment Account held at the State of Florida Treasury. Each estate's share of the pooled investments is presented on the accompanying financial statements as "Pooled Cash Due from the Admin Fund".
5. **State Regulatory Trust Fund Payable.** Consists of the funds advanced by the State Regulatory Trust Fund to pay the expenses of running the estate.
6. **Claims.** Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed, un-adjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claim liability numbers are based upon the most current available information and documentation provided to the Receiver from both internal and external sources.
 - Filed Proof of Claim forms are currently being processed and the liability numbers are subject to change.
 - A reserve for uncashed return premium checks at account closure has been included.
7. **Interest Distributions.** For companies placed into receivership on or after July 1, 2012, Section 631.271, Florida Statutes authorizes the payment of interest on claims in Classes 1-9 prior to making any payment on shareholder claims. At this time, the Receiver does not anticipate having sufficient assets in this estate to pay all claims for Classes 1-9. Accordingly, this statement does not reflect an interest reserve for Classes 1-9 allowed claims.
8. **Federal Priority.** The federal government has taken the position that pursuant to 31 U.S.C.A. 3713 a federal government claim must be paid first, when a debtor to the United States is insolvent. The federal government has also taken the position that it is not subject to state insurance liquidation claim's proceedings deadlines. To establish finality, shield itself from potential liability, and ultimately discharge the estate, the Receiver will request a federal release from the U.S. Department of Justice.
9. **Contributed Equity – State of Florida.** The Receiver will, from time to time, expend public funds to carry out certain duties during the course of liquidating an insurance company. The Division accounts for these expenditures as a contribution of equity by the State.
10. **Excess (Deficiency) of Assets over Liabilities.** The excess or (deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess or (deficiency) does not take into consideration any estimates for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.