

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation
Sunshine State Insurance Company in Liquidation
Statement of Affairs
3/31/2022**

	Estimated Realizable Value
ASSETS	
Cash-Distribution	\$8,352.70
Pooled Cash in SPIA Due from the Admin Fund	8,200.26
Pooled Cash in SPIA Reserved for Distributions	1,285,979.45
Accrued Interest Receivable	496.04
Reinsurance Recoverable	32,286.32
Fixed Assets	300.00
Total Assets	<u>\$1,335,614.77</u>
LIABILITIES	
Distribution Liability	1,285,979.45
Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies	
Class 9 - Other	1,914,499.00
Total Liabilities	<u>\$3,200,478.45</u>
EQUITY	
Contributed Equity - State of Florida	429,822.37
Estate Equity	<u>(2,294,686.05)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$1,864,863.68)</u>
Total Liabilities and Equity	<u>\$1,335,614.77</u>

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation**

Sunshine State Insurance Company in Liquidation

Statement of Cash Receipts and Disbursements

From the Date of Liquidation through 3/31/2022

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	\$0.00	\$1,889,555.37
Reinsurance Recoveries	0.00	14,648,606.47
Agents' Balances Recoveries	0.00	133,388.76
Subrogation and Salvage Recoveries	0.00	585,553.06
Litigation Recoveries	0.00	6,150,000.00
Tax Recoveries	0.00	297,802.00
Other Collections / Recoveries	15,431.09	3,839,470.80
Sale of Personal Property Inventory	0.00	2,459,928.04
Sale of Other Assets	0.00	3,681,419.62
Receipts Before Investment Activities	15,431.09	33,685,724.12
Interest and Dividend Receipts	26,439.15	1,899,632.27
Sale of Short Term Investment	0.00	8,097,858.32
Sale of Long Term Investment	0.00	500,000.00
Receipts From Investment Activities	26,439.15	10,497,490.59
Total Cash Receipts	41,870.24	44,183,214.71
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	3,667.74	1,980,316.01
Salaries and Fringe Benefits	69,009.23	2,936,443.45
Employee Welfare	1,310.86	30,366.21
Travel Expenses	0.00	27,139.06
Admin Expenses	1,562.72	40,206.08
Equipment and Furniture Expenses	7,415.88	133,451.08
Rent, Building and Equipment	4,788.94	306,031.86
Taxes	0.00	1,268.67
Disbursements	87,755.37	5,455,222.42
Distributions		
Administrative Claims (Class 1)	5,534,999.66	5,534,999.66
Loss Claims (Class 2)	11,918,289.83	11,918,289.83
Unearned Premium-Non-Assessable Policies Claims (Class 3)	23,466,125.21	23,466,125.21
Federal Government Claims (Class 4)	0.00	0.00
General Creditors Claims (Class 6)	318,902.38	318,902.38
Government Claims (Class 7)	2,565.22	2,565.22
Late Filed Claims (Class 8)	600.00	600.00
Surplus Notes/Unearned Premium-Assessable Policies Claims (Class 9)	0.00	0.00
Shareholder Claims	0.00	0.00
Claims-Other	0.00	0.00
Early Access-Guaranty Associations	(34,113,906.83)	(1,113,906.83)
Total Distributed	7,127,575.47	40,127,575.47
Disbursements & Distributions Before Investment Activities	7,215,330.84	45,582,797.89
Financial Expenses	2,749.72	125,779.75
Purchase Short Term Investment	0.00	2,491,599.54
Disbursements for Investment Activities	2,749.72	2,617,379.29
Total Cash Disbursements & Distributions	7,218,080.56	48,200,177.18
Net Increase (Decrease) in Cash	(7,176,210.32)	(4,016,962.47)
Beginning Cash Balance:		
Beginning Cash	8,478,742.73	4,155,919.87

Florida Department of Financial Services, Division of Rehabilitation and
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Sunshine State Insurance Company in Liquidation

Statement of Cash Receipts and Disbursements

From the Date of Liquidation through 3/31/2022

	Fiscal Year to Date	Since Date of Liquidation
Adjustments to Beginning Cash	0.00	1,163,575.01
Adjusted Beginning Cash Balance	8,478,742.73	5,319,494.88
Ending Cash Balance	1,302,532.41	1,302,532.41

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sunshine State Insurance Company in Liquidation
Schedule of Cash Distribution
For the Nine Months Ended March 31, 2022

Cash Distribution

Description	Balance		Distributions/Reissues	Balance
	7/1/21	Funding/Voids/Interest		3/31/22
Distribution per Court Order Wells Fargo	0.00	844,280.87	(835,928.17)	8,352.70
Totals:	0.00	844,280.87	(835,928.17)	8,352.70

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sunshine State Insurance Company in Liquidation
Schedule of Accrued Interest Receivable
For the Nine Months Ended March 31, 2022

Accrued Interest Receivable

Description		Balance 7/1/21	Accrued	Received	Balance 3/31/22
State Treasury	SPIA, 4-20-0-010000-00000	7,068.06	18,303.12	(24,875.14)	496.04
Totals:		7,068.06	18,303.12	(24,875.14)	496.04

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sunshine State Insurance Company
Schedule of Reinsurance Recoverables - Net of Allowance
For Nine Months Ended March 31, 2022

Reinsurance Recoverables

Recovery Agent	Balance 7/1/21	Billed	Recovered	Adjustments	Balance 3/31/22
Receiver	32,286.32	0.00	0.00	0.00	32,286.32
Total	32,286.32	0.00	0.00	0.00	32,286.32

Allowance Reinsurance

Recovery Agent	Balance 7/1/21	Increases	Decreases	Balance 3/31/2022
Receiver	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00

Reinsurance Recoverables - Net of Allowance

32,286.32

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sunshine State Insurance Company in Liquidation
Schedule of Fixed Assets
For the Nine Months Ended March 31, 2022

Computer Equipment

Description	Balance 7/1/21	Adjustments	Sold	Balance 3/31/22
Various electronic equipment	300.00	0.00	0.00	300.00
Totals	300.00	0.00	0.00	300.00

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sunshine State Insurance Company in Liquidation
Schedule of Distribution Liability
For the Nine Months Ended March 31, 2022

Distribution Liability

Description	Balance 7/1/21	Adjustments	Balance 3/31/22
Unreleased/unissued distribution amounts	0.00	1,285,979.45	1,285,979.45
Totals:	0.00	0.00	1,285,979.45

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
Sunshine State Insurance Co. in Liquidation
Notes to Financial Statements
Dated March 31, 2022

1. **Estate Information.** Sunshine State Insurance Co. was a property and casualty company domiciled in Florida and placed in liquidation on June 3, 2014.
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, 2021 through June 30, 2022. 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. "Pooled Cash Reserved for Distributions" is a segregated amount of Pooled Cash that represents the remaining amount of Pooled Cash reserved for a court authorized distribution(s) that has not been released or reissued.
6. **Reinsurance.** Reinsurance receivables have resulted from losses that have been paid and billed to the reinsurer(s). The financial statements reflect the gross amount of the billed losses less an allowance for any receivable(s) currently considered to be uncollectible. The receivable amount may include paid losses that are ceded to one or more reinsurance contracts being collected on behalf of the Receiver by an intermediary or the Receiver's staff.
7. **Fixed Assets.** Assets of a durable nature such as buildings, furniture, computer equipment, and machinery. The property in this estate consists of electronic equipment such as computers, servers, phones, etc. and its' estimated value is based on prices of similar equipment from the State of Florida's Public Auction site.
8. **Distribution Liability.** Represents the remaining liability for a court authorized distribution(s) that has not been released because the Receiver does not have a good mailing address for the claimant or does not have a completed W9 from the claimant.
9. **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.
 - The First Interim Claims Report was approved on March 13, 2015. One Class 2 claim was reported to Court, and no objection was filed.
 - The Second Interim Claims Report was approved on July 31, 2017. Claims in Class 2 and Class 3 were reported to Court. The deadline to file an objection was October 16, 2017. Three objections were filed and resolved.
 - The Third Interim Claims report was approved on September 16, 2020. Remaining Claims in Class 2 through 11 were reported to Court. One objection was filled and resolved.
 - A 100% Claim distribution for Class 1 through 8 claims and a 79.52% Claims distribution for Class 9 claims was authorized on February 1, 2022.
10. **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.

**Florida Department of Financial Services, Division of Rehabilitation
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Sunshine State Insurance Co. in Liquidation

Notes to Financial Statements

Dated March 31, 2022

11. **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.
12. **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.
13. **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.