Florida Department of Financial Services, Division of Rehabilitation and Liquidation

Sawgrass Mutual Insurance Company in Liquidation

Statement of Affairs

9/30/2022

	Estimated Realizable Value
ASSETS	
Pooled Cash in SPIA Due from the Admin Fund	$363,827.17
Accrued Interest Receivable	348.53
Total Assets	$364,175.70
LIABILITIES	
State Regulatory Trust Fund Payable	362,000.00
Class 1 Administrative Claims	
Class 1 - Guaranty Associations	429,704.47
Class 2 Loss Claims	
Class 2 - Guaranty Associations	35,000.00
Class 2 - Other	582,576.74
Class 3 Unearned Premium Claims under Non-assessable Policies	
Class 3 - Guaranty Associations	1.00
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	462,501.00
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	$41,680,594.65
EQUITY	
Contributed Equity - State of Florida	14,831.14
Estate Equity	(41,331,250.09)
Excess (Deficiency) of Assets over Liabilities	($41,316,418.95)
Total Liabilities and Equity	$364,175.70

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sawgrass Mutual Insurance Company in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through 9/30/2022

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Advance Insurance Regulatory Trust Fund	$0.00	$362,000.00
Other Collections / Recoveries	0.00	302,012.11
Receipts Before Investment Activities	0.00	664,012.11
Interest and Dividend Receipts	1,118.05	41,310.05
Receipts From Investment Activities	1,118.05	41,310.05
Total Cash Receipts	1,118.05	705,322.16
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	0.00	230,454.74
Salaries and Fringe Benefits	25,209.71	474,422.05
Employee Welfare	0.00	93.36
Travel Expenses	0.00	1,841.85
Admin Expenses	0.00	201.78
Equipment and Furniture Expenses	0.00	121.96
Rent, Building and Equipment	9.50	769.58
Taxes	0.00	6.48
Disbursements	25,219.21	707,911.80
Distributions		
Administrative Claims (Class 1)	0.00	0.00
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	0.00	0.00
Total Distributed	0.00	0.00
Disbursements & Distributions Before Investment Activities	25,219.21	707,911.80
Financial Expenses	114.01	3,181.14
Disbursements for Investment Activities	114.01	3,181.14
Total Cash Disbursements & Distributions	**25,333.22**	**711,092.94**
Net Increase (Decrease) in Cash	**(24,215.17)**	**(5,770.78)**
Beginning Cash Balance:		
Beginning Cash	388,042.34	370,828.95
Adjustments to Beginning Cash	0.00	(1,231.00)
Adjusted Beginning Cash Balance	**388,042.34**	**369,597.95**
Ending Cash Balance	**363,827.17**	**363,827.17**

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, 2022

Accrued Interest Receivable

Due from	Account	Balance 7/1/22	Accrued	Received	Balance 9/30/22
State Treasury	SPIA, 4-20-0-010000-00000	164.58	1,195.75	(1,011.80)	348.53
	Totals:	164.58	1,195.75	(1,011.80)	348.53

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, 2022

State Regulatory Trust Fund Payable

Description	Balance 7/1/22	Interest	Adjustments	Balance 9/30/22
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

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Sawgrass Mutual Insurance Company in Liquidation
Notes to Financial Statements
Dated September 30, 2022

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, 2022 through June 30, 2023. 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.

   - A reserve for uncashed return premium checks at account closure has been included for the total amount of $135,991.41.
   - New claims filing deadline established per court order as 8/5/22 (previously established was 5/28/19).
   - Bar date established per court order as 8/5/22.

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.