

WESTERN GUARANTY FUND SERVICES

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 133,568	\$ 161,335
Accounts receivable	272,939	160,374
Prepaid expenses	<u>22,088</u>	<u>16,837</u>
Total current assets	428,595	338,546
FURNITURE AND EQUIPMENT, NET	55,529	16,395
DEPOSITS	<u>7,604</u>	<u>7,604</u>
TOTAL	<u>\$ 491,728</u>	<u>\$ 362,545</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 17,097	\$ 8,852
Accrued liabilities	<u>69,102</u>	<u>37,298</u>
Total current liabilities	86,199	46,150
ADVANCES FROM MEMBER FUNDS	<u>405,529</u>	<u>316,395</u>
TOTAL LIABILITIES	<u>491,728</u>	<u>362,545</u>
UNRESTRICTED NET ASSETS	<u>—</u>	<u>—</u>
TOTAL	<u>\$ 491,728</u>	<u>\$ 362,545</u>

WESTERN GUARANTY FUND SERVICES

STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
REVENUES		
Operating assessments	\$ <u>1,762,454</u>	\$ <u>1,714,936</u>
EXPENSES		
Operating expenses (allocated to Member Guarantee Associations):		
Salaries and payroll taxes	1,129,696	1,065,179
Professional services	162,259	161,565
Employee benefits	148,898	143,271
Rent	110,772	113,111
Travel and meetings	58,893	63,954
Retirement plan contribution	58,120	56,696
Supplies and other	40,073	38,382
Equipment expense	38,751	58,511
Business insurance	8,535	6,952
Telephone	<u>6,457</u>	<u>7,315</u>
Total expenses	<u>1,762,454</u>	<u>1,714,936</u>
CHANGE IN UNRESTRICTED NET ASSETS	—	—
NET ASSETS, BEGINNING OF YEAR	<u>—</u>	<u>—</u>
NET ASSETS, END OF YEAR	<u>\$ —</u>	<u>\$ —</u>

WESTERN GUARANTY FUND SERVICES

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
OPERATING ACTIVITIES		
Change in net assets	\$ —	\$ —
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	20,135	34,258
Changes in operating assets and liabilities:		
Accounts receivable	(112,565)	33,570
Prepaid expenses and deposits	(5,251)	2,926
Accounts payable	8,245	(6,961)
Accrued liabilities	<u>31,804</u>	<u>(2,511)</u>
Net cash provided by (used in) operating activities	<u>(57,632)</u>	<u>61,282</u>
INVESTING ACTIVITIES		
Net cash used in investing activities —		
Purchases of furniture and equipment	<u>(59,269)</u>	<u>(10,375)</u>
FINANCING ACTIVITIES		
Advance from Nebraska Guaranty Association	50,000	
Advances (repayments) of member funds, net	<u>39,134</u>	<u>(23,883)</u>
Net cash used in financing activities	<u>89,134</u>	<u>(23,883)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(27,767)	27,024
CASH AND CASH EQUIVALENTS, Beginning of year	<u>161,335</u>	<u>134,311</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 133,568</u>	<u>\$ 161,335</u>

WESTERN GUARANTY FUND SERVICES

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business — Western Guaranty Fund Services (the Company) is a not-for-profit, unincorporated association of the insurance guaranty associations in the states of Colorado, Idaho, Kansas, Montana, Nebraska, Washington and Wyoming (Member Guaranty Associations). The Nebraska Property and Liability Insurance Guaranty Association (NPLIGA) became a member as of January 1, 2014. These Member Guaranty Associations were created by statute in their respective states to pay policy holder claims in connection with insolvent insurers covered by the guaranty fund statutes in their respective states. The Company, located in Denver, Colorado, provides management services to the Member Guaranty Associations, the expense of which is borne by the Member Guaranty Associations. Operating expenses are allocated to the Member Guaranty Associations and individual insolvencies based on claim complexity.

Basis of Presentation — The financial statements of the Company have been prepared on the accrual basis.

Cash and Cash Equivalents — The Company considers all highly liquid temporary cash investments with an original maturity of 90 days or less to be cash equivalents.

Accounts Receivable — Accounts receivable are from the various Member Guaranty Associations for reimbursement of Association-specific expenses paid by the Company and reimbursements of the Company's operating expenses allocated to the Associations. Accounts receivable are considered by management to be fully collectible.

Furniture and Equipment — Furniture and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are recorded at cost and depreciated using the straight-line method over their estimated useful lives of three to ten years.

Revenue and Operating Expenses — Revenue consists solely of assessments of Member Guaranty Associations for operating expenses. Assessments are recorded as revenue when operating expenses are incurred. Operating expenses are allocated to Member Guaranty Associations based on a claim rating system which factors in the complexity and time involved for open claims for each insolvency within each state.

Direct costs related to specific insolvencies paid by the Company and reimbursed by the Member Guaranty Associations were \$591,747 and \$565,204 during the years ended December 31, 2014 and 2013, respectively. These expenses are not recorded as revenue or expense by the Company.

Income Taxes — The Company is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. Accordingly, the accompanying financial statements contain no provision for income taxes.

Tax years that remain subject to examination include 2011 through the current period. The Company believes that it does not have any uncertain tax positions that are material to the financial statements.

Use of Estimates — The preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events — The Company has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

2. FURNITURE AND EQUIPMENT

Furniture and equipment consisted of the following as of December 31:

	2014	2013
Furniture and equipment	\$ 684,067	\$ 636,958
Less accumulated depreciation	<u>628,538</u>	<u>620,563</u>
Furniture and equipment, net	<u>\$ 55,529</u>	<u>\$ 16,395</u>

3. MEMBER GUARANTY FUNDS

The Member Guaranty Associations were established to provide funds for the settlement of covered claims for losses or return of unearned premiums on covered policies of insolvent insurers, through assessing member insurers within each state. These Member Guaranty Associations have organized the Company to assist in the discharge of their statutory responsibilities. Member Guaranty Association funds, reported on a cash basis, under management by the Company amounted to \$175,775,821 and \$147,857,044 as of December 31, 2014 and 2013, respectively.

The following summarizes fund transactions of Member Guaranty Associations funds during the years ended December 31.

	2014	2013
Member Guaranty Association funds, beginning of year	<u>\$ 147,857,044</u>	<u>\$ 146,646,771</u>
Cash receipts:		
Balance transfer from NPLIGA, January 1, 2014	27,648,152	
Member insurer assessments	929,218	65
Interest income	641,768	843,631
Recoveries	10,281,184	12,703,177
Large deductible workers' compensation	2	455,653
Special deposits	<u>99,437</u>	<u>121,407</u>
Total cash receipts	<u>39,599,761</u>	<u>14,123,933</u>

	2014	2013
Cash disbursements:		
Premium refunds	1,006	(43,370)
Losses	7,539,772	9,159,423
Loss adjusting expense — allocated	909,836	1,508,847
Loss adjusting expense — unallocated	2,280,771	2,288,760
Refund of assessments	899,599	
Advance to WGFS	<u>50,000</u>	
Total cash disbursements	<u>11,680,984</u>	<u>12,913,660</u>
Member Guaranty Association funds, end of year	<u>\$ 175,775,821</u>	<u>\$ 147,857,044</u>

Member Guaranty Association funds, by state association are as follows as of December 31:

	2014	2013
Colorado	\$ 75,147,579	\$ 74,735,682
Idaho	7,868,455	8,521,351
Kansas	29,463,607	27,711,633
Montana	20,916,815	20,651,910
Nebraska	26,807,960	
Washington	13,935,138	14,677,474
Wyoming	<u>1,636,267</u>	<u>1,558,994</u>
Total	<u>\$ 175,775,821</u>	<u>\$ 147,857,044</u>

NPLIGA has available a \$5,000,000 revolving line of credit, bearing interest at the prime rate, renewable annually. There were no draws on the line during the year ended December 31, 2014 and there is no outstanding balance at December 31, 2014.

The unaudited reserve for unpaid loss and loss adjustment expenses as estimated by the Company for each Member Guaranty Association as of December 31 is as follows:

	2014 (Unaudited)	2013 (Unaudited)
Colorado	\$ 48,524,232	\$ 46,016,067
Idaho	6,987,402	6,873,963
Kansas	22,330,168	25,127,767
Montana	31,583,129	32,487,111
Nebraska	22,019,050	
Washington	11,269,481	12,816,349
Wyoming	<u>407,295</u>	<u>434,136</u>
Total	<u>\$ 143,120,757</u>	<u>\$ 123,755,393</u>

4. **ADVANCES FROM MEMBER GUARANTY ASSOCIATIONS**

The Company receives advances from the Member Guaranty Associations to finance operations and to acquire furniture and equipment. If the Company Board of Directors voted to dissolve the Company (by a two-thirds vote), as of December 31, 2014, \$350,000 of the amount advanced is refundable to the respective state Member Guaranty Associations. Amounts in excess of \$350,000 are recognized as operating assessment revenue in connection with the recognition of depreciation of the furniture and equipment which was acquired with the advances.

5. **COMMITMENTS AND CONTINGENCIES**

The Company leases its office facilities under a noncancellable operating lease. The lease requires the Company to be responsible for insurance, maintenance of the premises, and its pro rata share of the increase in building operating costs over such costs incurred in 2015, the base year of the lease. Additionally, the Company leases equipment under operating leases. Rent and lease expense was \$128,790 and \$137,364, respectively for the years ended December 31, 2014 and 2013. The future operating lease commitments, exclusive of operating costs, for the years ended December 31 are as follows:

2015	\$	115,118
2016		118,061
2017		121,004
2018		123,948
2019		124,443
Thereafter		<u>72,974</u>
Total	\$	<u>675,548</u>

6. **CONCENTRATIONS OF CREDIT RISK**

Certain financial instruments potentially subject the Company to concentrations of credit risk, primarily cash maintained in banks. The Company's operating cash periodically exceeds the FDIC insurance limits.

7. **SCHEDULE OF PROGRAM AND SUPPORTING SERVICES**

The Company provides management and other supervisory services to Member Guaranty Association in connection with insolvent insurers covered by the guaranty fund statutes in their respective states.

The following summarizes the Company's expenses by program and supporting services:

	2014	2013
Program services:		
Management and other supervisory services	\$ 1,586,209	\$ 1,543,442
Supporting services:		
General and administrative	<u>176,245</u>	<u>171,494</u>
Total	<u>\$ 1,762,454</u>	<u>\$ 1,714,936</u>

8. RETIREMENT PLAN

All employees are eligible to participate in a qualified 401(k) retirement plan on the first semi-annual plan date following one year of service. The Company makes a contribution of 3% of annual salary for all employees, regardless of participation, which is 100% vested immediately. In addition, the Company matches up to an additional 3% of an employee's contribution which is 100% vested after three years of service. Retirement plan contributions for the years ended December 31, 2014 and 2013 were \$58,120 and \$56,696, respectively.

WESTERN GUARANTY FUND SERVICES

SUPPLEMENTAL SCHEDULES

WESTERN GUARANTY FUND SERVICES

Statement of Cash Receipts and Disbursements of Insolventcies
on Behalf of the N E B R A S K A Insurance Guaranty
Association

Year Ended December 31, 2014

	Iowa National	Transit Casualty	Integrity	American Mutual of Boston	Rockwood	Commercial Comp	Credit General	Reliance Insurance
Cash receipts:								
Member insurer assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	(4,394)	-	-	(493)	(789)	(1,741)	(4,798)	(34,530)
Recoveries	-	-	2,583	-	-	14,092	602,537	66,845
Transfers (to) from other insolventcies	-	-	-	-	-	-	-	-
Total cash receipts	(4,394)	-	2,583	(493)	(789)	12,351	597,739	32,315
Cash disbursements:								
Premium refunds	-	-	-	-	-	-	-	-
Losses	6,933	-	-	1,921	16,944	-	28,831	243,488
Loss adjusting expenses - allocated	-	-	-	4	3,477	-	213	45,308
Loss adjusting expenses - unallocated	2,811	-	1,136	5,284	9,960	-	5,389	58,131
Assessment refunds	-	2	-	-	-	536,442	-	-
Advance to WGFS	-	-	-	-	-	-	-	-
Total cash disbursements	9,744	2	1,136	7,209	30,381	536,442	34,433	346,927
Increase (decrease) in restricted member guaranty funds	(14,138)	(2)	1,447	(7,702)	(31,170)	(524,091)	563,306	(314,612)
Restricted member guaranty funds:								
Beginning of year	1,670,634	2	(12,145)	188,250	307,202	538,186	1,852,019	13,163,616
End of year	\$ 1,656,496	\$ -	\$ (10,698)	\$ 180,548	\$ 276,032	\$ 14,095	\$ 2,415,325	\$ 12,849,004
Composition of restricted member guaranty funds								
December 31, 2014:								
Cash and cash equivalents	\$ 157,635	\$ -	\$ (10,698)	\$ 17,181	\$ 26,268	\$ 1,341	\$ 229,847	\$ 1,222,737
Short-term investments	1,498,861	-	-	163,367	249,764	12,754	2,185,478	11,626,267
	\$ 1,656,496	\$ -	\$ (10,698)	\$ 180,548	\$ 276,032	\$ 14,095	\$ 2,415,325	\$ 12,849,004

See accompanying independent auditors' report

WESTERN GUARANTY FUND SERVICES

Statement of Cash Receipts and Disbursements of Insolvencies
on Behalf of the N E B R A S K A Insurance Guaranty
Association

Year Ended December 31, 2014

	Phico Insurance	Home Insurance	Fremont Insurance	Lagion Insurance	Villanova	Casualty Reciprocal	Imperial	Atlantic Mutual
Cash receipts:								
Member insurer assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	(3,788)	(1,724)	(3,142)	(18,214)	(1)	(1,178)	-	-
Recoveries	466,145	29	-	-	146	-	-	-
Transfers (to) from other insolvencies	-	-	-	-	-	-	-	-
Total cash receipts	462,357	(1,695)	(3,142)	(18,214)	145	(1,178)	-	-
Cash disbursements:								
Premium refunds	-	-	-	-	-	-	-	-
Losses	56,915	49,231	9,276	(136,318)	-	-	-	7,456
Loss adjusting expenses - allocated	3,082	2,564	48	(4,885)	-	-	-	49
Loss adjusting expenses - unallocated	6,322	11,104	22,924	23,507	424	362,731	-	7,730
Assessment refunds	-	-	-	-	-	-	-	-
Advance to WGFSS	-	-	-	-	-	-	-	-
Total cash disbursements	66,319	62,899	32,248	(117,696)	424	362,731	-	15,235
Increase (decrease) in restricted member guaranty funds	396,038	(64,594)	(35,390)	99,482	(279)	(363,909)	-	(15,235)
Restricted member guaranty funds:								
Beginning of year	1,117,150	681,901	1,205,446	6,717,518	425	363,909	(6,002)	(52,813)
End of year	\$ 1,513,188	\$ 617,307	\$ 1,170,056	\$ 6,817,000	\$ 146	\$ -	\$ (6,002)	\$ (68,048)
Composition of restricted member guaranty funds								
December 31, 2014:								
Cash and cash equivalents	\$ 143,998	\$ 58,744	\$ 111,345	\$ 648,719	\$ 14	\$ -	\$ (6,002)	\$ (68,048)
Short-term investments	\$ 1,369,190	\$ 558,563	\$ 1,058,711	\$ 6,168,281	\$ 132	\$ -	\$ -	\$ -
	\$ 1,513,188	\$ 617,307	\$ 1,170,056	\$ 6,817,000	\$ 146	\$ -	\$ (6,002)	\$ (68,048)

See accompanying independent auditors' report

WESTERN GUARANTY FUND SERVICES

Statement of Cash Receipts and Disbursements of Insolventcies
on Behalf of the N E B R A S K A Insurance Guaranty
Association

Year Ended December 31, 2014

	Centennial	Lumbermens Mutual Casualty	Ullico Casualty	Freestone	Red Rock	Admin	Total
Cash receipts:							
Member insurer assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,350	\$ 38,350
Interest income	-	-	-	-	-	(406)	(75,198)
Recoveries	-	-	-	-	-	-	1,152,377
Transfers (to) from other insolventcies	-	-	-	-	-	37,944	-
Total cash receipts	-	-	-	-	-	37,944	1,115,529
Cash disbursements:							
Premium refunds	-	-	-	-	-	-	-
Losses	7,549	212,876	86,262	11,072	49,197	-	651,633
Loss adjusting expenses - allocated	-	5,298	3,185	109	3,741	-	62,193
Loss adjusting expenses - unallocated	7,199	99,450	5,888	2,244	-	23,217	292,296
Assessment refunds	-	-	-	-	-	-	899,599
Advance to WGPS	-	-	-	-	-	50,000	50,000
Total cash disbursements	14,748	317,624	95,335	13,425	52,938	73,217	1,955,721
Increase (decrease) in restricted member guaranty funds	(14,748)	(317,624)	(95,335)	(13,425)	(52,938)	(35,273)	(840,192)
Restricted member guaranty funds:							
Beginning of year	(23,342)	(232,138)	(24,030)	-	-	192,364	27,648,152
End of year	\$ (38,090)	\$ (549,762)	\$ (119,365)	\$ (13,425)	\$ (52,938)	\$ 157,091	\$ 26,807,960
Composition of restricted member guaranty funds							
December 31, 2014:							
Cash and cash equivalents	\$ (38,090)	\$ (549,762)	\$ (119,365)	\$ (13,425)	\$ (52,938)	\$ 14,949	\$ 1,774,451
Short-term investments	-	-	-	-	-	142,142	25,033,509
	\$ (38,090)	\$ (549,762)	\$ (119,365)	\$ (13,425)	\$ (52,938)	\$ 157,091	\$ 26,807,960

See accompanying independent auditors' report

WESTERN GUARANTY FUND SERVICES

Statement of Cash Receipts and Disbursements of Insolvencies
on Behalf of the N E B R A S K A Insurance Guaranty
Association

Period from Insolvency Through December 31, 2014 (Unaudited)

	Iowa National 10/10/1985	Transit Casualty 12/3/1985	Integrity 3/24/1987	American Mutual of Boston 3/9/1989	Rockwood 8/26/1991	Commercial Comp 9/26/2000	Credit General 1/5/2001	Reliance Insurance 10/3/2001
Cash receipts:								
Member insurer assessments	\$ 4,083,823	\$ 1,606,359	\$ 74,497	\$ 1,199,966	\$ 1,100,000	\$ 496,561	\$ 2,938,217	\$ 12,816,161
Interest income	1,637,701	127,293	17,592	86,000	289,258	82,872	383,644	1,786,959
Recoveries	2,786,063	147,937	84,946	85,398	304,931	261,371	757,385	7,677,339
Transfers (to) from other insolvencies	-	-	-	-	-	-	-	-
Total cash receipts	8,507,587	1,881,589	177,035	1,371,364	1,694,189	840,804	4,079,246	22,280,459
Cash disbursements:								
Premium refunds	-	-	-	-	-	-	-	-
Losses	2,507,467	163,726	24,733	860,915	1,145,107	2,625	1,385	36,472
Loss adjusting expenses - allocated	84,463	7,327	-	30,639	18,423	8,106	26,824	155,559
Loss adjusting expenses - unallocated	175,338	56,542	80,512	299,262	254,627	61,305	177,181	863,900
Member assessment refund	4,083,823	1,653,994	82,488	-	-	536,442	-	-
Total cash disbursements	6,851,091	1,881,589	187,733	1,190,816	1,418,157	826,709	1,663,921	9,431,455
Operating expenses:								
Advance to WGFS	-	-	-	-	-	-	-	-
Total operating expenses	-	-	-	-	-	-	-	-
Total cash disbursements	6,851,091	1,881,589	187,733	1,190,816	1,418,157	826,709	1,663,921	9,431,455
BALANCE, End of year	\$ 1,656,496	\$ -	\$ (10,698)	\$ 180,548	\$ 276,032	\$ 14,095	\$ 2,415,325	\$ 12,849,004
Composition of restricted member Guaranty Funds December 31, 2014:								
Cash and cash equivalents	\$ 157,635	\$ -	\$ (10,698)	\$ 17,181	\$ 26,268	\$ 1,341	\$ 229,847	\$ 1,222,737
Short-term investments	1,498,861	-	-	163,367	249,764	12,754	2,185,478	11,626,267
	\$ 1,656,496	\$ -	\$ (10,698)	\$ 180,548	\$ 276,032	\$ 14,095	\$ 2,415,325	\$ 12,849,004
Reserve for losses and allocated adjusting expense at December 31, 2014	\$ 131,634	\$ -	\$ -	\$ 104,418	\$ 362,341	\$ -	\$ 864,018	\$ 4,754,059

WESTERN GUARANTY FUND SERVICES

Statement of Cash Receipts and Disbursements of Insolvencies
on Behalf of the N E B R A S K A Insurance Guaranty
Association

Period from Insolvency Through December 31, 2014 (Unaudited)

	Phico Insurance 2/1/2002	Home Insurance 6/13/2003	Fremont Insurance 7/2/2003	Legion Insurance 7/28/2003	Villanova 7/28/2003	Casualty Reciprocal 8/13/2004	Imperial 5/12/2010	Atlantic Mutual 4/27/2011
Cash receipts:								
Member insurer assessments	\$ 2,349,945	\$ 930,585	\$ 2,073,658	\$ 6,653,383	\$ 5,068	\$ 421,825	\$ -	\$ -
Interest income	125,190	152,498	18,668	398,841	(1)	3,038	-	-
Recoveries	2,699,312	794,206	1,674,155	3,424,912	2,250	50,131	-	-
Transfers (to) from other insolvencies	-	-	-	-	-	-	-	-
Total cash receipts	5,174,447	1,877,289	3,766,481	10,477,136	7,317	474,994	-	-
Cash disbursements:								
Premium refunds	145,182	-	-	55,733	-	-	-	-
Losses	3,192,352	1,096,915	2,384,806	3,132,022	3,874	89,885	2,253	46,210
Loss adjusting expenses - allocated	63,211	18,886	78,222	38,107	306	22,378	-	2,661
Loss adjusting expenses - unallocated	260,514	144,181	133,397	434,274	2,991	362,731	3,749	19,177
Member assessment refund	-	-	-	-	-	-	-	-
Total cash disbursements	3,661,259	1,259,982	2,596,425	3,660,136	7,171	474,994	6,002	68,048
Operating expenses:	-	-	-	-	-	-	-	-
Advance to WGFS	-	-	-	-	-	-	-	-
Total operating expenses	-	-	-	-	-	-	-	-
Total cash disbursements	3,661,259	1,259,982	2,596,425	3,660,136	7,171	474,994	6,002	68,048
Balance, End of year	\$ 1,513,188	\$ 617,307	\$ 1,170,056	\$ 6,817,000	\$ 146	\$ -	\$ (6,002)	\$ (68,048)
Composition of restricted member Guaranty Funds December 31, 2014:								
Cash and cash equivalents	\$ 143,998	\$ 58,744	\$ 111,345	\$ 648,719	\$ 14	\$ -	\$ (6,002)	\$ (68,048)
Short-term investments	1,369,190	558,563	1,058,711	6,168,281	132	-	-	-
	\$ 1,513,188	\$ 617,307	\$ 1,170,056	\$ 6,817,000	\$ 146	\$ -	\$ (6,002)	\$ (68,048)
Reserve for losses and allocated adjusting expense at December 31, 2014	\$ 1,290,995	\$ 664,330	\$ 630,528	\$ 3,682,805	\$ -	\$ -	\$ -	\$ 326,327

WESTERN GUARANTY FUND SERVICES

Statement of Cash Receipts and Disbursements of Insolvencies
on Behalf of the N E B R A S K A Insurance Guaranty
Association

Period from Insolvency Through December 31, 2014 (Unaudited)

	Centennial 4/27/2011	Lumbermen Mutual Casualty 5/10/2013	Ullico Casualty 5/30/2013	Freestone 8/15/2014	Red Rock 8/21/2014	Admin	Total
Cash receipts:							
Member insurer assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,182,415	\$ 37,932,463
Interest income	754	-	-	-	-	226,216	5,336,523
Recoveries	-	-	-	-	-	211,805	20,962,141
Transfers (to) from other insolvencies	-	-	-	-	-	-	-
Total cash receipts	754	-	-	-	-	1,620,436	64,231,127
Cash disbursements:							
Premium refunds	-	-	-	-	-	-	241,397
Losses	26,015	390,136	108,760	11,072	49,197	77,277	25,365,008
Loss adjusting expenses - allocated	-	6,345	3,495	109	3,741	-	546,118
Loss adjusting expenses - unallocated	12,829	153,281	7,110	2,244	-	1,115,587	4,277,694
Member assessment refund	-	-	-	-	-	220,481	6,942,950
Total cash disbursements	38,844	549,762	119,365	13,425	52,938	1,413,345	37,373,167
Operating expenses:							
Advance to WGFS	-	-	-	-	-	50,000	50,000
Total operating expenses	-	-	-	-	-	50,000	50,000
Total cash disbursements	38,844	549,762	119,365	13,425	52,938	1,463,345	37,423,167
BALANCE, End of year	\$ (38,090)	\$ (549,762)	\$ (119,365)	\$ (13,425)	\$ (52,938)	\$ 157,091	\$ 26,807,960
Composition of restricted member Guaranty Funds December 31, 2014:							
Cash and cash equivalents	\$ (38,090)	\$ (549,762)	\$ (119,365)	\$ (13,425)	\$ (52,938)	\$ 14,949	\$ 1,774,451
Short-term investments	-	-	-	-	-	142,142	25,033,509
	\$ (38,090)	\$ (549,762)	\$ (119,365)	\$ (13,425)	\$ (52,938)	\$ 157,091	\$ 26,807,960
Reserve for losses and allocated adjusting expense at December 31, 2014	\$ 50,110	\$ 6,906,079	\$ 323,952	\$ 34,983	\$ 1,892,471	\$ -	\$ 22,019,050