

WCRB

**Annual Report
2015**

WISCONSIN

CONTENTS

REPORT OF THE PRESIDENT	1
WCRB VISION AND MISSION	2
BUREAU ORGANIZATION.....	3
Current Operating Units	3
BUREAU SYSTEMS AND TECHNOLOGY DEVELOPMENT	4
WCRB Web Site	5
WCRB COMMITTEES	6
Board/Committee Representatives	7
Board/Committee Activities	8
RATE REVISION	10
LAW AMENDMENTS.....	11
INSPECTIONS	11
WORK PROCESSED	11
Compliance Detail.....	12
WISCONSIN WORKER'S COMPENSATION INSURANCE POOL.....	14
Ten Year Summary.....	14
2015 Preliminary Pool Results.....	17
Final Redetermination of Pool Fund Balance.....	17
BUREAU FINANCES.....	18
APPENDIX.....	19
Exhibit 1—Membership List	20
Exhibit 2—2015 Membership Activity.....	25
Exhibit 3—Financial Reports.....	26
Exhibit 3A—Statement of Income and Disbursements	26
Exhibit 3B—Net Bureau Operating Expense Comparison	28
Exhibit 3C—Operating Expense Ratio to Premiums	28

REPORT OF THE PRESIDENT
CALENDAR YEAR ENDING DECEMBER 31, 2015

The October 1, 2015 WCRB rate filing proposed and accepted by the Commissioner of Insurance of the State of Wisconsin was an increase of +1.24%. From an industry group perspective, the changes were as follows: Manufacturing +1.4%, Contracting +1.8%, Goods and Services +2%, Office and Clerical -0.1%, and Miscellaneous -.4%.

The estimated total number of Wisconsin Worker's Compensation risks at the end of 2015 is 144,638, up from last year's 141,544 with a total estimated written premium of \$1,850,000,000, up from 2014's audited \$1,812,772,013.

From a Wisconsin pool perspective, new pool risks in 2015 were 5,982 vs. 2014's 5,371, which is an increase of 11.4%. Total Wisconsin pool risks at the end of 2015 are estimated at 25,718 against 2014's 23,389.

Pool premium at the end of 2015 was \$117,377,944 against an estimated total Wisconsin market written premium of \$1,850,000,000. The percentage of pool premiums relative to total Wisconsin Worker's Compensation premiums went from 5.8% in 2013 to 6.1% in 2014 and then to 6.3% in 2015. Approximately 17.6% of Wisconsin employers are insured through the pool.

Our two investment advisors, in combination with our investment committee, have established returns that fall within our investment guidelines. The final redetermination of the pool fund balance at the end of 2014 showed the adjusted value of the Wisconsin Workers Compensation Insurance Pool at \$297,662,858 with a target fund value of \$300,510,448. 2015's final redetermination will be presented in our June meeting. Our portfolios quarterly results would seem to indicate that the financial management continues to provide results within our guidelines.

We have three field inspectors, who inspect employers for proper classifications. In 2015, 789 inspections were conducted. Generally, one-third of the time the inspections result in a premium increase, one-third of the time the inspections result in a premium decrease and one-third of the time the inspections result in no change. With two-thirds of the inspections resulting in change, we intend to discuss the prospect of adding additional inspection staff in the future.

The WCRB underwent an audit managed by the audit committee comprised of audit managers from three member companies. Two audits took place: 1. Workflow and Financial, and 2. Data Security. The Bureau saw this as an opportunity for independent review and feedback about weaknesses in our system. We were pleased to read there were no major or even medium sized risks identified in either audit. Any findings that needed to be addressed have either been resolved or are in the process of being resolved. Membership can rest assured that measures considered above average are in place to protect the finances and data that flows in and out of the WCRB. The audit committee formed will continue to report to the WCRB Governing Board and will occasionally order audits of various sorts to ensure strong protection continues.

Lastly, the turnover we began to address five years ago is beginning to build steam. We have made several staffing changes in an effort to ensure new employees are properly and efficiently trained and that key employees who will eventually retire are replaced with individuals who have had meaningful exposure to the work that those who will retire perform. In addition, while we strive to capture institutional knowledge, we continue to place an emphasis on questioning what we do, why we do it and eliminating work or tasks if we determine it is wasteful or can be automated.

Regards,

Bernard L. Rosauer
President, WCRB

VISION AND MISSION

- Ensure the continued recognition of the Wisconsin Worker's Compensation System as a "model system" through cooperative and proactive administration in partnership with the Worker's Compensation Division of the Department of Workforce Development and the Wisconsin Office of the Commissioner of Insurance, to the benefit of Wisconsin employers and employees and the entire workers compensation insurance industry.
- Enjoy national recognition as a leading worker's compensation rating and statistical organization, noted for its professionalism and service to customers.
- Ensure that the cost of worker's compensation insurance be fair and equitable to all existing Wisconsin businesses, and competitively attractive to prospective new business.

"The mission of the WCRB is to administer and enhance Wisconsin's system of worker's compensation classifications, rates, rating plans, and forms.

The WCRB will perform its duties in an equitable, professional, and responsive manner when dealing with all participants in the system."

BUREAU ORGANIZATION

Operations—The Operations area consists of three separate teams—Policy Processing, Unit Statistical/Experience Rating, and Industry Support.

- *The Policy Processing Team* performs all activities associated with policy review. This includes the processing of all policy and related submissions, quality review, proof of coverage, notice of termination, etc. The issuance of Notice to Carriers (NTCs) is the primary method for notifying carriers when there are issues that are related to the quality review.
- *The Unit Statistical/Experience Rating Team* processes all unit statistical reports and promulgates all intrastate experience modifications. The team works closely with carriers to ensure timely and accurate reporting of data.
- *The Industry Support Team* works closely with carriers and data collection organizations on data reporting issues. In addition, the team is responsible for collection of the Financial Call data used in the annual ratemaking process. They also assist in maintaining, testing, and enhancing our internal processing system.

Technical Services—Technical Services is comprised of several functional areas, including inspection/audit, WWCIP administration, ownership changes, and the processing and administration of the Wisconsin Contractor's Premium Adjustment Program. In addition, these team members act as technical resources for Bureau staff, member companies, agencies, as well as worker's compensation policyholders throughout Wisconsin.

Administrative Services—The primary responsibilities of this area include finance, human resources, imaging, and general office administration. Finance oversees the Bureau budget process, payroll, and also handles all financial reporting required for administration of WWCIP, and the Wisconsin Automobile Insurance Plan (WAIP).

Information Technology—The Information Technology area consists of the Systems Support Team and the Application Support Team.

- *The Systems Support Team* is responsible for management of Bureau hardware and software for all automated systems. These systems include policy and experience rating (Spectrum), Web site, accounting, imaging, phone, and any other automated systems. This team is also responsible for providing system connectivity to various partners, including the Department of Workforce Development and the Office of the Commissioner of Insurance. Systems Support Team is required to ensure systems are secure and to maintain disaster recovery processes as defined by WCRB business staff.
- *The Application Support Team* is responsible for providing Bureau support for automated applications. Application support includes maintaining existing applications, developing new applications, identifying new automated applications, and training. The Application Support Team also provides application support to various partners, including the Department of Workforce Development and the Office of the Commissioner of Insurance. Application Support Team is required to maintain disaster recovery processes as defined by WCRB business staff.

BUREAU SYSTEMS AND TECHNOLOGY DEVELOPMENT

ACCCT (American Cooperative Council on Compensation Technology)

ACCCT is an entity responsible for developing products for electronic data reporting. It is a joint venture founded as a venue for Data Collection Organizations (DCOs) to develop common technological products. This joint development results in cost savings, development efficiencies, and intellectual sharing; thereby providing significant benefits to the insurance industry. ACCCT members include the California, Delaware, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Pennsylvania and Wisconsin bureaus. The following are products that were developed by ACCCT and are supported by CDX, LLC.

- **BEEP (Bureau Entry and Edit Package)**
ACCCT developed BEEP to assist insurance companies in the reporting of unit statistical information. BEEP allows data providers to enter, import, and edit unit statistical data.
- **PEEP (Policy Entry and Edit Package)**
ACCCT developed PEEP to assist insurance companies in the reporting of all policy transactions. PEEP allows data providers to enter, import, and edit policy data.

CDX, LLC (Compensation Data Exchange, LLC)

CDX, LLC is an entity responsible for the electronic data interchange for the transfer of data between data providers and DCOs. The CDX site is a secure Internet application, and offers an alternative for exchanging data electronically. It is used for the purpose of sending, receiving, and managing transactions utilizing WCIO standards as found in the Workers' Compensation Data Specifications Manual.

The CDX system functions as a clearinghouse for data transmission to and from DCOs in the states of California, Delaware, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Pennsylvania, and Wisconsin. Simply stated, the CDX system offers DCO members one easy-to-use system for sending and receiving authorized electronic data to all of these DCOs.

Also available with the CDX site is the Experience Rating Worksheet Lookup (EXR). Wisconsin sends experience rating files to the CDX site on a daily basis. The "carrier of record," through the security package, can look up their employers to view and print the data.

Spectrum Partners, LLC

Spectrum Partners is the entity responsible for developing, enhancing, and maintaining Spectrum, which is WCRB's internal operating system. WCRB staff utilize Spectrum software to process and track policy data and unit statistical reports, promulgate experience ratings, and ensure compliance with data quality standards. Spectrum Partners, LLC includes Wisconsin, Minnesota, North Carolina, Massachusetts, New York, and New Jersey.

WCRB Web Site
www.wcrb.org

WCRB is committed to providing a high quality user-friendly Web experience. We closely examine our business model and evaluate how to best meet the needs of our customers through the development of new Web site products and enhancing existing products.

The following enhancements were implemented to the wcrb.org Web site or existing Web products throughout 2015:

- Class Code Historical Performance product was enhanced with a geographical search feature. This enhancement allows carriers and agents to execute searches and downloads related to aggregate payroll, premium and loss information by classification code for the entire state of Wisconsin or for selected regions within the state.
- The Premium Calculation and the WCPAP Calculation products were redesigned to improve the end user experience. The previous product versions required the user to enter data into multiple screens and would not execute data entry validations or calculations until all data was entered. The new products have only one screen for data entry and validations and calculations are completed in real time.
- An email notification date search was added to the WCPAP Worksheet and Inspection History Lookup products. In 2015, WCRB eliminated the hard copy mailing of WCPAP Worksheets and Inspection Reports. Carriers now receive an email notification each time a new worksheet or inspection report is released. The new email notification date search feature makes it easier for Carriers to find all released documents on a specific email notification date.
- Other miscellaneous updates were made to increase consistency, optimize search engines, improve printing, and improve page views.

WCRB is again planning several enhancements for 2016. We will continue to evaluate and research new products based on feedback from our customers.

WCRB COMMITTEES

WCRB GOVERNING BOARD

The WCRB Governing Board is given complete charge and management of the affairs of the Bureau under the authority of Article VII of the Bureau By-Laws. The Governing Board consists of four stock and four non-stock insurer representatives elected by members of the Bureau, and two employer representatives appointed by the Governor.

RATING COMMITTEE

The Rating Committee is empowered on behalf of the Bureau to interpret and apply the rules governing the classification and rating of all Workers Compensation and Employers' Liability risks in Wisconsin. It recommends appropriate rules, regulations, classifications, rates and rating plans to the Governing Board. The Rating Committee consists of four stock and four non-stock insurer representatives elected by members of the Bureau, and two employer representatives appointed by the Governor.

WISCONSIN WORKER'S COMPENSATION INSURANCE POOL COMMITTEE (WWCIP)

The Pool Committee primarily exists to bring about a maximum degree of uniformity in the Pool by allowing a regular meeting format to discuss operations, problems, and solutions. The Pool Committee consists of the servicing carriers for the Wisconsin Workers Compensation Insurance Pool, and one or more additional carriers added to meet the requirement that the Committee be comprised of an equal number of stock and non-stock insurers.

INVESTMENT COMMITTEE

The Investment Committee provides general oversight and direction on matters pertaining to Investment Advisor performance and appropriateness of investment guidelines to ensure stability of the WWCIP Pool Fund Surplus. The Investment Committee consists of two stock and two non-stock insurers selected by the Governing Board.

ACTUARIAL COMMITTEE

The Actuarial Committee ensures the selected Wisconsin ratemaking methodology, trends, expense provisions, etc., result in rate accuracy and integrity. The Actuarial Committee consists of four stock and four non-stock insurers selected by the Rating Committee.

AUDIT COMMITTEE

The Audit Committee determines the scope of annual WCRB and WWCIP financial and operational audits, and reviews the audit reports with WCRB management and the external auditors. The results are reported annually directly to the Governing Board in Executive Session. The Audit Committee is comprised of CPAs from three member companies.

BOARD/COMMITTEE REPRESENTATION

AS OF DECEMBER 31, 2015

GOVERNING BOARD

American Home Assurance Co
Employers Insurance of Wausau
General Casualty Insurance Co
Secura Insurance A Mutual Co
Sentry Insurance A Mutual Co
Society Insurance A Mutual Co
Travelers Indemnity Co
United Wisconsin Insurance Co
Dan Burazin (Employer Representative)
Chris Reader (Employer Representative)

RATING COMMITTEE

American Home Assurance Co
Employers Insurance of Wausau
Employers Mutual Casualty Co
General Casualty Insurance Co
Sentry Insurance A Mutual Co
Society Insurance A Mutual Co
Travelers Indemnity Co
United Wisconsin Insurance Co
Dan Burazin (Employer Representative)
Chris Reader (Employer Representative)

WWCIP COMMITTEE

Employers Mutual Casualty Co
General Casualty Insurance Co
Liberty Mutual Insurance Co
Middlesex Insurance Co
Society Insurance A Mutual Co
Travelers Indemnity Co
Tri-State Insurance Co of MN
West Bend Mutual Insurance Co

INVESTMENT COMMITTEE

American Family Mutual Insurance Co
Sentry Insurance A Mutual Co
Vacancy—Stock
Vacancy—Stock

ACTUARIAL COMMITTEE

Acuity Insurance Co
American Home Assurance Co
Employers Insurance of Wausau
General Casualty Co
Sentry Insurance A Mutual Co
Travelers Indemnity Co
United Wisconsin Insurance Co
West Bend Mutual Insurance Co

AUDIT COMMITTEE

Secura Insurance Co
Society Insurance Co
United Wisconsin Insurance Co

BOARD/COMMITTEE—ACTIVITIES

The Governing Board, Rating Committee, and WWCIP Committee met four times in regular session. The Governing Board met on May 21, 2015 for the WCRB Annual Meeting. The Rating Committee met in a special session on May 21, 2015 to discuss the October 1, 2015 rate revision. The Actuarial Committee met three times.

The following are key issues discussed and/or acted upon by the Governing Board in 2015:

- WCRB staffing;
- WCRB occupancy;
- WCRB Audit Committee report;
- Worker's Compensation Insurance Issues – Commissioner of Insurance update;
- Ratemaking methodology;
- An overall increase in rate level of 1.24%;
- Wisconsin Class Code exceptions;
- WCRB Web Enhancement—Data Requests;
- OCI upheld hearing decision denying the request to reclassify indoor soccer teams from Class Code 9178—Athletic Team or Park: Non-Contact Sports to Class Code 9179—Athletic Team or Park: Contact Sports;
- Formal hearing regarding classification of social workers – adopted class code 8857 Health Care Services – Medical and Social Case Workers – Traveling;
- Formal hearing regarding classification of lawn treatment (fertilizer application) from code 0042 to code 9102 - adopted;
- Formal hearing regarding the classification of employees “converting” cheese;
- Informal hearing regarding acceptance of late WCPAP application – request denied;
- Informal hearing requesting the reclassification of retail clerks included in code 8391 – Automobile Repair Shop, Parts Department Employees and Drivers to code 8748 – Automobile Salespersons – request denied;
- Agreed Bill process;
- Elimination of hard copy distribution of WCRB inspections and WCPAP worksheets;
- Enhanced experience rating modification change notification;
- Discussed changes to the Supplemental Benefit Reimbursement Payments to Employers and Insurers—s. 102.44(1)(c), Wis. Stats.;
- NCCI Proposals:
 - P-1412 Terrorism Risk Insurance Programs Reauthorization Act of 2015
 - B-1428 Revision to Basic Manual Classifications and Appendix E Classification by Hazard Group
 - B-1429 Establishment of Audit Noncompliance Charge;
 - B-1430 Elimination of Anniversary Rating Date
- NTC/USR activity;
- Pool activity;
- WWCIP Handbook revisions;
- WWCIP Reinsurance;

- WWCIP Commissions;
- WWCIP Servicing Carrier RFP
- Charge-off requests submitted by WWCIP Servicing Carriers;
- Transfer of Debt request submitted by WWCIP Servicing Carrier;
- Quarterly Servicing Carrier reports;
- Actuarial Subcommittee review:
 - Volunteer Fire Firefighters—Class Code 7709
 - Expense Constant
 - Profit and Contingency Provision
 - Change in rate filing procedures
- WCRB's quarterly financial statements and budget requests, quarterly assessments to fund Bureau operations, annual audit reports of the Bureau's books and records, as well as the records of the WWCIP.

RATE REVISION

The WCRB had one rate filing effective in 2015. It included adjustments for increased benefits that were effective January 1, 2015, but the impact on rates was not significant enough to justify a separate law amendment rate filing.

The October 1, 2015 filing proposed an overall premium level increase of 1.24%, which, by industry group, was comprised of increases of 1.40% for manufacturing; 1.80% for contracting; 2.00% for goods and services and decreases of 0.10 for office and clerical; and 0.40% for miscellaneous. The filing also included an overall decrease of 0.90% for "F" classifications. The Office of the Commissioner of Insurance approved these changes.

Other proposed changes incorporated into the rate filing were:

- no change in the maximum minimum premium of \$900;
- no change in the minimum premium multiplier of 180;
- no change in the expense constant of \$220;
- an increase in the premium threshold for experience rating eligibility from \$6,750 to \$7,000;
- an increase in the annual remuneration used to calculate premiums for sole proprietors and partners from \$46,384 to \$47,372;
- an increase in the value of lodging received by employees as part of their pay to \$126.55 per week or \$18.08 per day, the value of meals increased to \$113.95 per week or \$5.43 per meal;
- an increase in the maximum remuneration for executive officers to \$1,367 per week;
- an increase in the minimum remuneration for executive officers to \$273 per week;
- a decrease in the Retrospective Rating Tax Multiplier from 1.085 to 1.077 for "F" classes;
- a decrease in the Retrospective Rating Tax Multiplier from 1.035 to 1.034 for state classes;
- a decrease in the USLH&W percentage from 66% to 65%;
- no change in the rate option of \$0.00, \$0.01, or \$0.02 per \$100 of payroll for terrorism coverage (TRIPRA); assigned risk policies are charged \$0.02 per \$100 of payroll;
- no change in the rate option of \$0.00 or \$0.01 per \$100 of payroll for Catastrophe (other than Certified Acts of Terrorism); assigned risk policies are charged \$0.01 per \$100 of payroll.

The Bureau contracted with Milliman, Inc. to assist in the collection of statistical data, the pricing of legislation, and the actuarial development of the filing submitted. Milliman, Inc. staff also provided expert analysis and advice to the Actuarial Subcommittee of the Bureau, which met with the representatives of the Office of the Commissioner of Insurance in 2015, both on rate filings submitted and on methodology to be used in rate filings. The Office of the Commissioner of Insurance representatives provided valuable input in the format followed in preparing the filing.

LAW AMENDMENTS

Historically, worker's compensation legislation has been very limited in Wisconsin. There is a Worker's Compensation Advisory Council, which is comprised of representatives of both labor and management and is chaired by the Administrator of the Worker's Compensation Division of the State of Wisconsin, Department of Workforce Development. The Advisory Council also includes insurance industry representation, but only in an advisory capacity.

The Advisory Council, through a series of meetings, presentations, negotiations, and hearings, develops a legislative proposal which is ultimately the only worker's compensation legislation that is introduced, passed, and enacted into law in Wisconsin.

The "Agreed Bill" is generally enacted to be effective on January 1 of all even-numbered years. The latest proposed changes, Senate Bill 409, were signed into law effective April 2, 2012. The Agreed Bill for 2014 was introduced but not passed. Automatic changes in benefits in 2015 were: the maximum benefit for temporary total disability and permanent total disability increased from \$892 to \$911 weekly; the maximum death benefit increased from \$267,600 to \$272,300; no change in burial expense of \$10,000. There was no automatic change to the weekly benefit for permanent partial disability of \$322.

INSPECTIONS

Total inspections completed during 2015 increased 3% over 2014. This amount includes both physical on-site inspections, as well as those completed via the Business Operations Report (BOR), a Web-based self-inspection tool. In total, 789 inspections were completed during 2015.

The WCRB maintains inspectors throughout the state. This format allows us to be very responsive to the inspection needs of the industry, providing classification determinations upon request. On average, inspection requests received from employers, producers, and carriers were completed within a 60-90 day time frame.

WORK PROCESSED

In 2015 the number of Notice to Carriers created increased 12%, and the number of fines levied increased 23.9%. The policies reviewed for failure to provide proof of coverage within 60 days increased 2.4%, with the number of fines levied increasing 1.1%. The number of unit statistical reports received increased 4.0%, and the fines levied decreased 12.6%. The number of financial call fines increased 20%.

2015 COMPLIANCE DETAIL

Policy Processing Yearly Aggregate Report

	2014	2015
Policy & Binders	147,892	151,581
Endorsements	45,259	77,754
Terminations	77,819	76,973
Reinstatements	33,655	33,787
TOTAL	304,625	340,095

Experience Rating Yearly Aggregate Report

	2014	2015
Intrastate Ratings Released	24,523	25,815
DNQ	690	767
Withdrawn	317	382
Contingent Ratings	583	584

60 Day Fining Yearly Aggregate Report

	2014	2015
Total Policies Reviewed	2,389	2,447
Total Fines Levied	2,346	2,369
Total Amount Levied	\$351,900	\$355,350
Total Withdrawn	58	55
Total Amount Withdrawn	\$8,700	\$8,250
Net Fines	2,288	2,314
Net Amount Levied	\$343,200	\$347,100

Financial Call Fining Yearly Aggregate Report

	2014	2015
Total Fines Levied	30	36
Total Amount Levied	\$16,850	\$18,000
Total Withdrawn	0	2

NTC Processing and Fining Yearly Aggregate Report

	2014	2015
NTCs Created	38,237	42,854
NTCs Issued	36,226	40,351
NTCs Disapproved	4,197	5,487
Total NTC Fines	1,416	1,743
Total Fined Amount	\$300,100	\$367,600
Total NTC Fines Withdrawn	40	38
Total Withdrawn Amount	\$10,100	\$7,150
Net Fines	1,376	1,705
Net Fined Amount	\$290,000	\$360,450

USR Processing and Fining Yearly Aggregate Report

	2014	2015
USRs Received	213,212	221,896
USRs Failed	41,602	43,661
USRs Rejected	5,613	5,957
USRs Unmatched	364	326
USRs Accepted	165,276	171,790
Total USR Fines	1,731	1,614
Total Fined Amount	\$415,350	\$404,650
Total USR Withdrawn	90	181
Total Withdrawn/Credit Amount	\$24,600	\$62,950
Net Fines	1,641	1,433
Net Fined Amount	\$390,750	\$341,700

WISCONSIN WORKER'S COMPENSATION INSURANCE POOL

The Wisconsin Worker's Compensation Insurance Pool is continued under the provisions of Section 619.01(6), Wis. Stats, to provide workers compensation insurance to those employers who are in "good faith" entitled to coverage, but are unable to obtain it in the voluntary market.

In 2015, new assignments increased from 5,371 to 5,982 risks. The number of employers retaining coverage in the Pool increased 10.0% from 23,389 to 25,718.

Pool gross premiums written increased from \$111,013,992 to \$117,377,944, an increase of 5.7%.

Under established procedures, preliminary Pool results are subjected to an independent actuarial analysis each year, based on calendar/accident year data reported by the servicing carriers in a special call. This analysis essentially involves the review of past losses, year by year, for developmental accuracy, which is then used to adjust the outstanding losses, before the formula for proper fund balance is applied. The Pool maintains a fund that is adjusted periodically to a "target fund value" which is equal to the actuarial best estimate of the total outstanding losses (reported plus Incurred But Not Reported) of all servicing carriers.

The final determination of the Pool Fund Balance as of December 31, 2014 resulted in a deficit of \$2,847,590. As the Fund year-end balance of \$297,662,858 was 99% of the target fund value, the deficit of \$2,847,590 was declared but not levied pursuant to Pool rules.

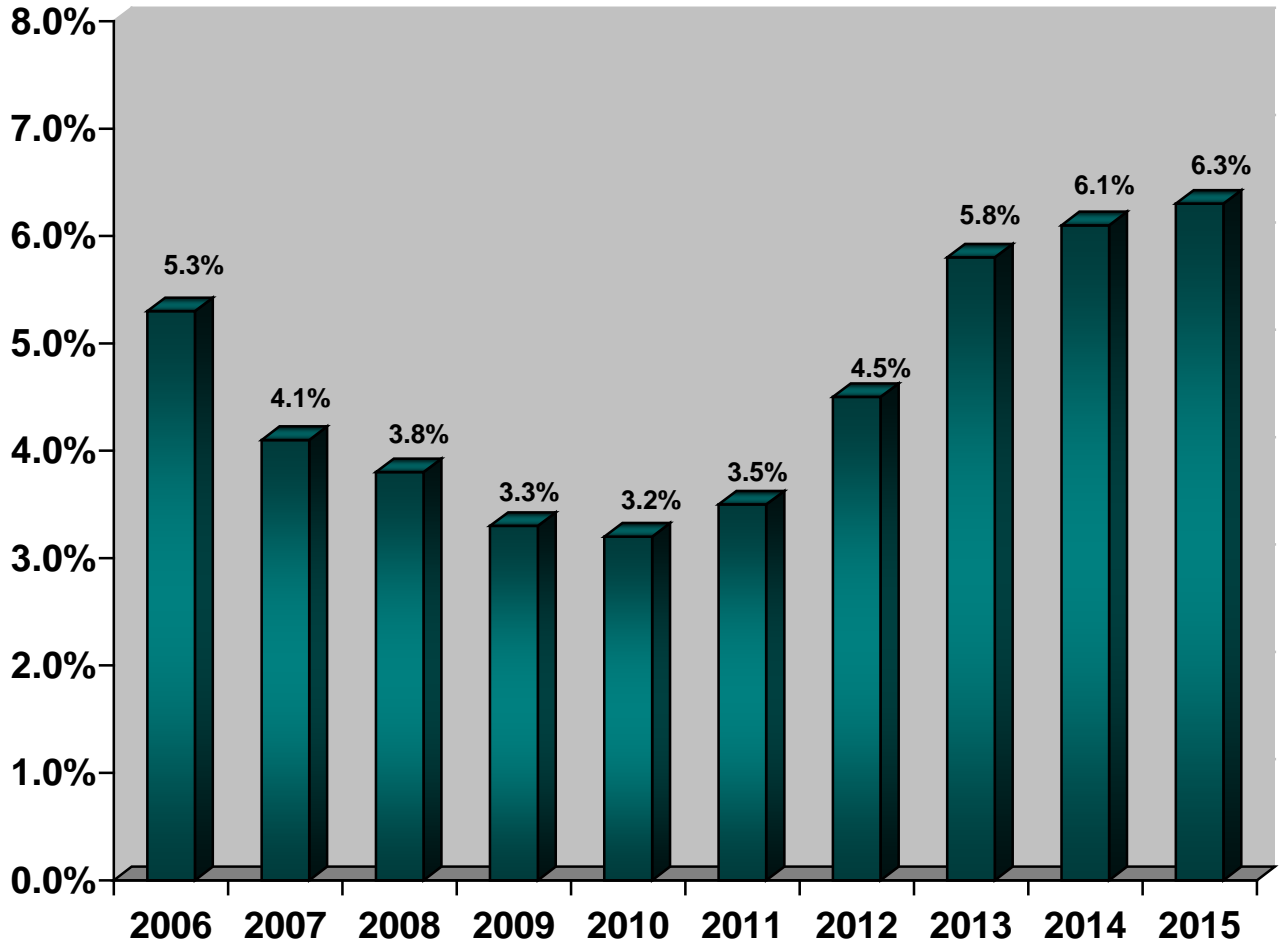
The following exhibits provide a ten-year summary of Pool activity, 2015 preliminary Pool detail, and more detailed final 2014 results:

YEAR	NEW POOL RISKS	TOTAL POOL RISKS	TOTAL WI RISKS	POOL WRITTEN PREMIUM	TOTAL WI WRITTEN PREMIUM	AVG SIZE OF POOL RISK
2006	3,974	22,544	139,790	\$88,364,010	\$1,665,988,607	\$3,919
2007	3,562	21,403	140,295	\$73,765,223	\$1,758,592,457	\$3,446
2008	3,174	19,756	140,882	\$63,269,696	\$1,622,874,532	\$3,202
2009	2,966	18,297	136,407	\$52,139,391	\$1,554,908,841	\$2,849
2010	3,237	18,133	139,672	\$47,903,585	\$1,482,925,017	\$2,642
2011	3,744	18,540	137,672	\$60,708,541	\$1,692,320,320	\$3,274
2012	4,328	19,545	138,835	\$78,317,806	\$1,732,508,488	\$4,007
2013	5,397	21,707	139,835	\$102,004,808	\$1,754,698,816	\$4,699
2014	5,371	23,389	141,544	\$111,013,992	\$1,812,772,013	\$4,746
2015	5,982	25,718	144,638	\$117,377,944	\$1,850,000,000*	4,564

*Estimated

WISCONSIN WORKER'S COMPENSATION INSURANCE POOL

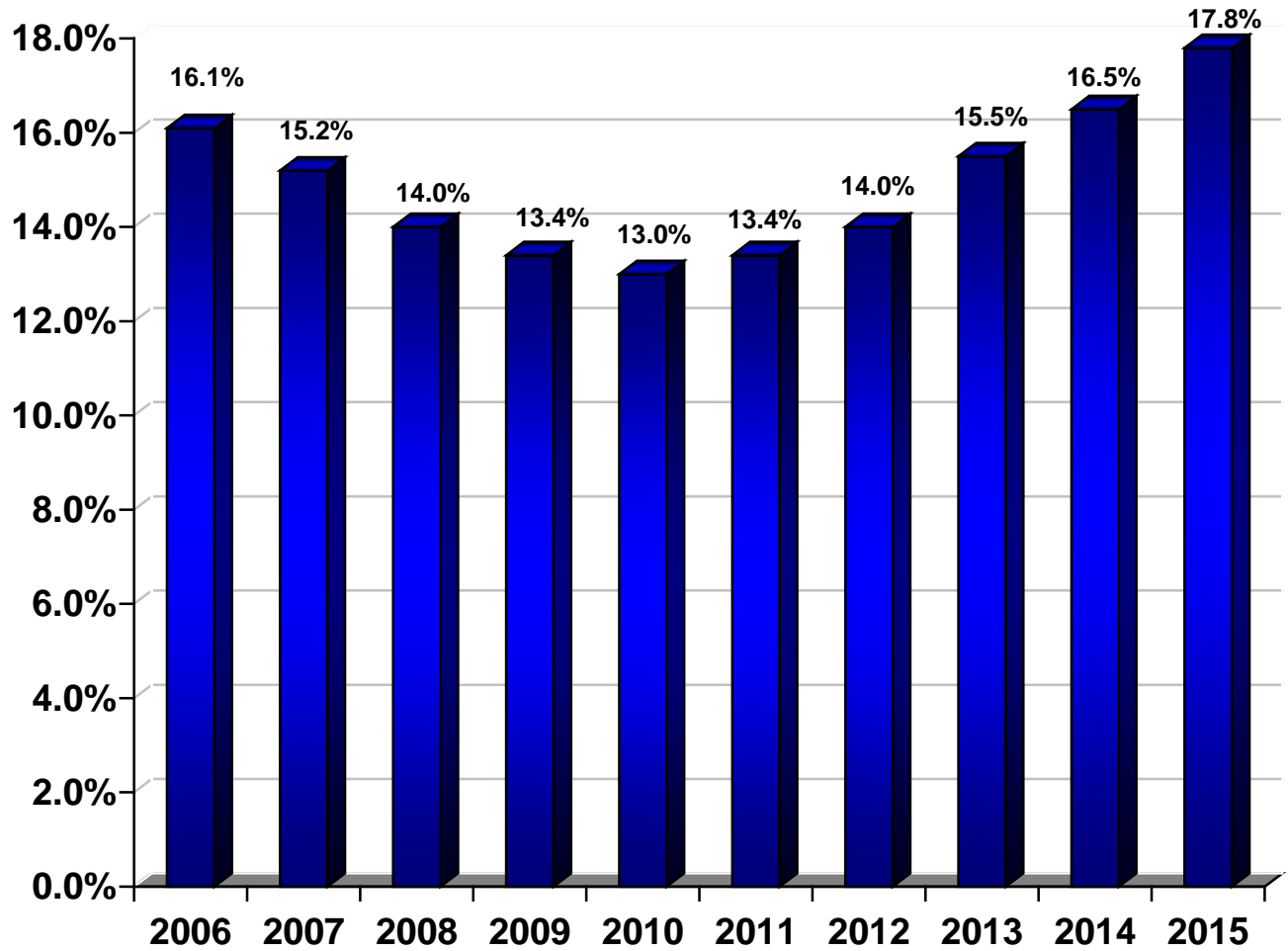
PERCENTAGE OF POOL PREMIUMS RELATIVE TO TOTAL WI PREMIUMS



(2015 Estimated)

WISCONSIN WORKER'S COMPENSATION INSURANCE POOL

PERCENTAGE OF POOL RISKS VS. TOTAL INSURED EMPLOYERS



2015 PRELIMINARY POOL RESULTS

1. Total Pool Gross Premiums Written	\$117,377,944
2. Net Pool Premiums After Servicing Carrier Allowance, Commissions, Charge-Offs, Transfers of Debt and Deferred Premium Credit	\$82,363,897
3. Total Paid Losses	\$68,294,119
4. Total Incurred Losses	\$67,713,554
(Outstanding Losses – Unadjusted 2015 -	\$156,754,748)
(Outstanding Losses – Unadjusted 2014 -	\$157,335,313)

Ratios:

5. Paid/Written	58.2%
6. Incurred/Written	57.7%
7. Paid/Net	82.9%
8. Incurred/Net	82.2%

FINAL REDETERMINATION OF THE POOL FUND BALANCE AS OF 12-31-14

Net Assets	\$349,960,804
Less - Net Amortization Loss on Securities	\$4,114,892
Less - Unearned Premium Reserve at 12-31-14	<u>\$48,183,054</u>
Adjusted Value of Net Assets 12-31-14	\$297,662,858

Outstanding Losses Reported by Servicing Carriers at 12-31-14	\$157,335,313
Actuarial Adjustment	<u>\$143,175,135</u>

Target Fund Value \$300,510,448

Net Assets Deficit, 12-31-14 \$(2,847,590)

BUREAU FINANCES

Total expenditures in 2015 were \$7,461,222, which represents a 4.4% increase over the 2014 expenditures of \$7,141,219.

Assessments again constituted the largest source of Bureau income. Overall fine income increased by approximately 2.4% in 2015. Fines are levied for failure to respond to Bureau inquiries, failure to file unit statistical information in a timely manner, failure to file policy information within sixty days of the policy effective date and untimely submission of aggregate financial call data. In 2015, fines generated \$1,066,700 in Bureau income, which is an increase of \$25,900 from 2014 fines. Net operating expenses in 2015 were \$6,215,029 which was 80% of the 2015 approved budget. This was an increase of \$300,861 over 2014 net operating expenditures. Total income generated from hard copy fees amounted to \$10,300 in 2015, a 15% decrease over 2014.

A detailed financial summary can be found in the Appendix, Exhibit 3A of this Report. Appendix Exhibit 3B shows the net Bureau operating expenses, and Appendix Exhibit 3C relates these expenses to estimated total 2015 Wisconsin premiums written, which develops a ratio of 0.33%.

APPENDIX

Exhibit 1—2015 Bureau Membership

Exhibit 2—2015 Membership Activity

Exhibit 3—Financial Reports

3A—Statements of Income & Disbursements for the Years
Ending December 31, 2014 and December 31, 2015

3B—Net Bureau Operating Expense Comparison

3C—Net Bureau Operating Expense Ratio to Wisconsin
Premiums Written

Exhibit 1—2015 Bureau Membership

37931	1ST AUTO & CASUALTY INS CO	64687	AMERICAN FAMILY INS	61996	AXIS INSURANCE CO
33391	ACADIA INSURANCE CO	15873	AMERICAN FAMILY MUTUAL INS CO	32873	AXIS REINSURANCE CO
36994	ACCEPTANCE CASUALTY INS CO	11266	AMERICAN FIRE & CASUALTY CO	36544	BADGER MUTUAL INSURANCE CO
32344	ACCEPTANCE INSURANCE CO	11452	AMERICAN GUARANTEE & LIABILITY	12599	BALBOA INSURANCE CO
90468	ACCIDENT FUND GENERAL INS CO	38369	AMERICAN HEALTHCARE INDEMNITY CO	20206	BANKERS STANDARD INS CO
19968	ACCIDENT FUND INS CO OF AMERICA	13781	AMERICAN HOME ASSURANCE CO	10359	BEDIVERE INS CO
16729	ACCIDENT FUND NATIONAL INS CO	12289	AMERICAN INSURANCE CO	32352	BENCHMARK INSURANCE CO
12165	ACE AMERICA INSURANCE CO	24759	AMERICAN INTERSTATE INSURANCE CO	29408	BERKLEY INSURANCE CO
15431	ACE FIRE UNDERWRITERS INS CO	26727	AMERICAN MINING INS CO	17191	BERKLEY NATIONAL INS CO
12254	ACE PROPERTY & CASUALTY INS CO	26492	AMERICAN MODERN HOME INS CO	36447	BERKLEY REGIONAL INS CO
27154	ACIG INSURANCE CO	28150	AMERICAN NATIONAL PROP & CAS CO	11754	BERKSHIRE HATHAWAY DIRECT INS CO
17469	ACUITY A MUTUAL INSURANCE CO	29645	AMERICAN PHYSICIANS ASSURANCE CO	12211	BERKSHIRE HATHAWAY HOMESTATE INS
16365	ADDISON INSURANCE CO	31674	AMERICAN SAFETY CASUALTY INS CO	13455	BERKSHIRE HATHAWAY SPECIALTY INS
22381	ADVANTAGE WORKERS COMP INS CO	35939	AMERICAN SELECT INSURANCE CO	10138	BITCO GENERAL INS
15326	AFFILIATED FM INSURANCE CO	48529	AMERICAN SENTINEL INSURANCE CO	12602	BITCO NATIONAL INS
21377	AIOI NISSAY DOWA INS CO OF AMERICA	11495	AMERICAN STATES INSURANCE CO	17833	BLUE RIDGE INDEMNITY CO
18139	AIG ASSURANCE CO	17965	AMERICAN ZURICH INSURANCE CO	17396	BROTHERHOOD MUTUAL INS CO
13978	AIG PROPERTY & CASUALTY CO	28384	AMERIHEALTH CASUALTY INS CO	16829	BUCKEYE STATE MUTUAL INS CO
14354	AIU INSURANCE CO	11525	AMERISURE INSURANCE CO	37354	BUILDERS MUTUAL INSURANCE CO
41068	ALEA NORTH AMERICA INS CO	15660	AMERISURE MUTUAL INSURANCE CO	22358	CALIFORNIA INSURANCE CO
10871	ALLIANZ GLOBAL RISKS US INS CO	29843	AMERISURE PARTNERS INS CO	11665	CAPITOL INDEMNITY CORP
41851	ALLIED EASTERN INDEMNITY CO	34762	AMERITRUST INSURANCE CORP	10367	CAPSON PHYSICIANS INS CO
76811	ALLIED INSURANCE CO OF AMERICA	20834	AMEX ASSURANCE CO	11746	CAROLINA CASUALTY INSURANCE CO
43432	ALLIED WORLD INSURANCE CO	21873	AMGUARD INSURANCE CO	33514	CASTLEPOINT NATIONAL INS CO
72836	ALLIED WORLD SPECIALTY INS CO	38857	ANSUR AMERICA INSURANCE CO	55364	CATLIN INDEMNITY CO
34738	ALLMERICA FINANCIAL ALLIANCE	79475	ARCH INDEMNITY INSURANCE CO	16993	CENTRAL MUTUAL INSURANCE CO
29661	ALLMERICA FINANCIAL BENEFIT INS CO	28355	ARCH INSURANCE CO	38199	CENTRE INSURANCE CO
13552	ALLSTATE INDEMNITY CO	14370	ARGONAUT GREAT CENTRAL INS CO	11290	CENTURY INDEMNITY CO
15067	ALLSTATE INSURANCE CO	14095	ARGONAUT INSURANCE CO	15318	CHARTER OAK FIRE INSURANCE CO
20699	ALLSTATE NORTHBROOK INDEMNITY CO	12742	ARGONAUT MIDWEST INSURANCE CO	36099	CHEROKEE INSURANCE CO
68405	AM TRUST INSURANCE CO OF KANSAS	10723	ARROWOOD INDEMNITY CO	31720	CHUBB INDEMNITY INSURANCE CO
11444	AMCO INSURANCE CO	29718	ASHMERE INSURANCE CO	35173	CHUBB NATIONAL INSURANCE CO
19399	AMERICAN ALTERNATIVE INS CORP	10103	ASSOCIATED INDEMNITY CO	16853	CHURCH MUTUAL INSURANCE CO
10022	AMERICAN AUTOMOBILE INSURANCE CO	12173	ASSURANCE COMPANY OF AMERICA	22241	CINCINNATI CASUALTY CO
21334	AMERICAN BUSINESS MERCANTILE INS MUT	15156	ATLANTA INTERNATIONAL INS CO	27197	CINCINNATI INDEMNITY CO
10030	AMERICAN CAS CO OF READING	61417	ATLANTIC SPECIALTY INSURANCE CO	15385	CINCINNATI INSURANCE CO
29734	AMERICAN COMPENSATION INS CO	18981	AUSTIN MUTUAL INSURANCE CO	37915	CITIES & VILLAGES INSURANCE CO
17051	AMERICAN COUNTRY INS CO	16144	AUTO OWNERS INSURANCE CO	11002	CITIZENS INSURANCE CO OF AMERICA
10561	AMERICAN ECONOMY INS CO	12793	AUTOMOBILE INS CO OF HARTFORD	25461	CLARENDON NATIONAL INS CO
24120	AMERICAN FAMILY HOME INS CO	19224	AXA INSURANCE CO	31755	CLEARWATER SELECT INS CO

Exhibit 1—2015 Bureau Membership

21601 CLERMONT INSURANCE CO	18457 ERIE INSURANCE EXCHANGE	11436 GENERAL REINSURANCE CORP
24252 COLONIAL AMERICAN CAS & SURETY	31127 ERIE INSURANCE PROP & CAS CO	27308 GENESIS INSURANCE CO
15172 COMMERCE & INDUSTRY INS CO	11304 ESURANCE INSURANCE CO OF NJ	38547 GERMANTOWN MUTUAL INS CO
27871 COMMERCIAL CASUALTY INS CO	58705 ESURANCE PROPERTY & CASUALTY INS	17493 GRANGE MUTUAL CASUALTY CO
55299 COMMUNITY INSURANCE CORP	28312 EVEREST NATIONAL INSURANCE CO	13102 GRANITE STATE INSURANCE CO
11487 COMPASS INSURANCE CO	30104 EXCALIBUR REINSURANCE CO	24694 GRAY INSURANCE CO
14052 CONSOLIDATED INSURANCE CO	33499 EXECUTIVE RISK INDEMNITY INC	14028 GREAT AMERICAN ALLIANCE INS CO
19542 CONSTITUTION INSURANCE CO	19313 FAIR AMERICAN INSURANCE CO	13307 GREAT AMERICAN ASSURANCE CO
10243 CONTINENTAL CASUALTY CO	15415 FALLS LAKE NATIONAL INSURANCE CO	13897 GREAT AMERICAN INS CO OF NY
28282 CONTINENTAL INDEMNITY CO	17779 FARMERS AUTOMOBILE INS ASSOC.	14176 GREAT AMERICAN INSURANCE CO
15113 CONTINENTAL INSURANCE CO	17744 FARMERS INSURANCE EXCHANGE	30643 GREAT AMERICAN SECURITY INS CO
11053 CONTINENTAL WESTERN INS CO	22640 FARMINGTON CASUALTY CO	26387 GREAT AMERICAN SPIRIT INS CO
16284 COUNTRY MUTUAL INSURANCE CO	16713 FARMLAND MUTUAL INSURANCE CO	34681 GREAT DIVIDE INSURANCE CO
19437 CRESTBROOK INSURANCE CO	12890 FEDERAL INSURANCE CO	24600 GREAT MIDWEST INSURANCE CO
33766 CRUM & FORSTER INDEMNITY CO	16446 FEDERATED MUTUAL INSURANCE CO	14567 GREAT NORTHERN INSURANCE CO
14680 CUMIS INSURANCE SOCIETY	14702 FEDERATED RURAL ELECTRIC INS EXCHANGE	11037 GREAT WEST CASUALTY CO
20265 DAIRYLAND INSURANCE CO	13129 FEDERATED SERVICE INSURANCE CO	16772 GREATER NEW YORK MUTUAL INS CO
27669 DAKOTA TRUCK UNDERWRITERS	10510 FIDELITY & DEPOSIT CO OF MD	14591 GREENWICH INSURANCE CO
36595 DEERFIELD INSURANCE CO	10227 FIDELITY & GUARANTY INS CO	16985 GRINNELL MUTUAL REINSURANCE CO
24589 DEPOSITORS INSURANCE CO	10324 FIDELITY & GUARANTY INS UNDERWRITERS	32476 GRINNELL SELECT INS CO
35203 DIAMOND INSURANCE CO	12416 FIREMANS FUND INSURANCE CO	20850 GUARANTEE INS CO
22764 DIAMOND STATE INSURANCE CO	27723 FIREMEN'S INS CO WASHINGTON DC	23965 GUIDEONE AMERICA MUTUAL INS CO
20702 DISCOVER PROPERTY & CAS INS CO	16039 FIRST CHICAGO INSURANCE CO	24368 GUIDEONE ELITE INSURANCE CO
18411 DISTRICTS MUTUAL INSURANCE CO	35866 FIRST DAKOTA INDEMNITY CO	17299 GUIDEONE MUTUAL INSURANCE CO
15636 DONEGAL INSURANCE COMPANIES	11894 FIRST FINANCIAL INSURANCE CO	15271 HDI GERLING AMERICA INS CO
42997 EASTERN ALLIANCE INSURANCE CO	27359 FIRST LIBERTY INSURANCE CORP	17647 HAMILTON MUTUAL INS CO
25678 ESTERN ADVANTAGE ASSURANCE CO	13390 FIRST NATIONAL INS CO OF AMERICA	30937 HANOVER AMERICAN INS CO
33936 EASTGUARD INSURANCE CO	32743 FIRST NONPROFIT INSURANCE CO	13633 HANOVER INSURANCE CO
12858 ECONOMY FIRE & CASUALTY CO	35947 FLAGSHIP CITY INSURANCE CO	11614 HARCO NATIONAL INSURANCE CO
12629 ELECTRIC INSURANCE CO	17507 FLORISTS MUTUAL CO	15857 HARLEYSVILLE INSURANCE CO
12882 EMCASCO INSURANCE CO	14087 FOREMOST INSURANCE CO	24805 HARLEYSVILLE LAKE STATES INS CO
41394 EMPLOYERS COMPENSATION INS CO	24090 FOREMOST PROPERTY & CASUALTY INS CO	20575 HARLEYSVILLE PREFERRED INS CO
36870 EMPLOYERS ASSURANCE CO	24082 FOREMOST SIGNATURE INSURANCE CO	21644 HARLEYSVILLE WORCESTER INS CO
12300 EMPLOYERS FIRE INSURANCE CO	66676 FORTUITY INSURANCE CO	10448 HARTFORD ACCIDENT & INDEMNITY CO
15555 EMPLOYERS INS OF WAUSAU	17388 FRANKENMUTH MUTUAL INS CO	14397 HARTFORD CASUALTY INSURANCE CO
15539 EMPLOYERS MUTUAL CASUALTY CO	18708 FREMONT INS CO	13269 HARTFORD FIRE INSURANCE CO
31283 EMPLOYERS PREFERRED INSURANCE CO	30743 GATEWAY INSURANCE CO	20605 HARTFORD INS CO OF MIDWEST
50879 ENDURANCE REINSURANCE CORP OF AMERICA	12440 GENERAL CASUALTY CO OF WI	10456 HARTFORD UNDERWRITERS INS CO
14664 ERIE INSURANCE CO	12378 GENERAL CASUALTY INSURANCE CO	17272 HASTINGS MUTUAL INSURANCE CO
31003 ERIE INSURANCE CO OF NEW YORK	13404 GENERAL INS CO OF AMERICA	10170 HAWKEYE SECURITY INS CO

Exhibit 1—2015 Bureau Membership

14109	HIGHLANDS INSURANCE CO	38660	MHA INSURANCE CO	25844	NORGUARD INSURANCE CO
41343	HOMESITE INSURANCE CO	20141	MIC PROPERTY & CASUALTY INS CO	29386	NORTH AMERICAN ELITE INS CO
50892	ILLINOIS CASUALTY CO	38466	MICHIGAN COMMERCIAL INS MUTUAL	24147	NORTH AMERICAN SPECIALTY INS CO
26182	ILLINOIS INSURANCE CO	16969	MICHIGAN MILLERS MUTUAL INS CO	35750	NORTH POINTE INS CO
12491	ILLINOIS NATIONAL INSURANCE CO	12998	MID CENTURY INSURANCE CO	14508	NORTH RIVER INSURANCE CO
30732	IMPERUIM INS CO	10960	MIDDLESEX INSURANCE CO	13765	NORTHERN INS CO OF NEW YORK
17140	IMT INSURANCE CO	23145	MIDVALE INS CO	15016	NORTHWESTERN NATIONAL INS CO
25437	INDEMNITY INS CO OF NORTH AMER.	25992	MIDWEST EMPLOYERS CAS CO	14191	NOVA CASUALTY CO
13315	INDIANA INSURANCE CO	33928	MIDWEST FAMILY MUTUAL INS	21261	NUTMEG INSURANCE CO
17175	INDIANA LUMBERMENS MUTUAL INS CO	37079	MIDWEST INSURANCE CO	10459	OBI NATIONAL INS CO
13889	INS CO OF STATE OF PENNSYLVANIA	10782	MIDWESTERN INDEMNITY CO	15458	OAK RIVER INSURANCE CO
14486	INSURANCE CO OF NORTH AMERICA	31143	MILBANK INSURANCE CO	25577	OAKWOOD INSURANCE CO
19593	INSURANCE CO OF THE WEST	16950	MILLERS FIRST INSURANCE CO	13943	OCCIDENTAL FIRE & CASUALTY INS
17035	INTEGRITY MUTUAL INSURANCE CO	69103	MILWAUKEE CASUALTY INS CO	25313	ODYSSEY REINSURANCE CO
91097	INTEGRITY PROPERTY & CASUALTY INS CO	19089	mitsui SUMITOMO INS CO OF AMER	22411	OHIC INSURANCE CO
16330	IOWA MUTUAL INSURANCE COMPANY	10308	mitsui SUMITOMO INS USA INC	11363	OHIO CASUALTY INSURANCE CO
48667	IRONSHORE INDEMNITY INC	14893	MONROE GUARANTY INSURANCE CO	14389	OHIO FARMERS INSURANCE CO
26603	JEWELERS MUTUAL INSURANCE COMPANY	16519	MOTORISTS COMMERCIAL MUTUAL INS CO	19291	OHIO SECURITY INSURANCE CO
37044	KEY RISK INS CO	11398	MUNICH REINSURANCE AMERICA	10405	OLD REPUBLIC GENERAL INS CORP
23876	L M GENERAL INSURANCE CO	18570	NATIONAL AMERICAN INSURANCE CO	11509	OLD REPUBLIC INSURANCE CO
27243	L M INSURANCE CORP	18805	NATIONAL CASUALTY CO	18880	OMAHA INDEMNITY CO
13870	L M PROPERTY & CASUALTY INS CO	64039	NATIONAL FARMERS UNION PROP & CAS CO	18147	OWNERS INSURANCE CO
14540	LAMORAK INS CO	12238	NATIONAL FIRE INS CO OF HARTFORD	25399	PRXE INSURANCE CO
25038	LANCER INSURANCE CO	12343	NATIONAL INDEMNITY CO	10677	PACIFIC EMPLOYERS INSURANCE CO
95062	LEAGUE OF WI MUNICIPALITIES MUT INS	31607	NATIONAL INTERSTATE INS CO	10685	PACIFIC INDEMNITY CO
19046	LIBERTY INS UNDERWRITERS	19054	NATIONAL LIABILITY & FIRE INS CO	27618	PARTNERRE INSURANCE CO OF NY
21814	LIBERTY INSURANCE CORP	16447	NATIONAL SPECIALTY INS CO	17418	PARTNERS MUTUAL INSURANCE CO
16586	LIBERTY MUTUAL FIRE INS CO	12866	NATIONAL SURETY CORP	11770	PATRIOT GENERAL INSURANCE CO
15628	LIBERTY MUTUAL INSURANCE CO	13072	NATIONAL UNION FIRE INS CO PENN	13226	PEERLESS INDEMNITY INSURANCE CO
18376	LUMBERMENS UNDERWRITING ALLIANCE	10928	NATIONWIDE AFFINITY INS CO AMERICA	11355	PEERLESS INSURANCE CO
27908	MAIDEN REINSURANCE COMPANY	11568	NATIONWIDE AGRIBUSINESS INS CO	14850	PEKIN INSURANCE CO
20737	MANUFACTURERS ALLIANCE INS CO	31658	NATIONWIDE ASSURANCE CO	30929	PENINSULA INDEMNITY CO
22616	MARKEL INSURANCE CO	38342	NATIONWIDE INSURANCE CO OF AMERICA	20923	PENINSULA INSURANCE CO
10545	MARYLAND CASUALTY CO	15997	NATIONWIDE MUTUAL FIRE INS CO	38261	PENN AMERICA INSURANCE CO
10006	MASSACHUSETTS BAY INS CO	16195	NATIONWIDE MUTUAL INSURANCE CO	17027	PENN MILLERS INSURANCE CO
28584	MEDICAL PROTECTIVE CO	14184	NETHERLANDS INSURANCE CO	15407	PENNSYLVANIA INSURANCE CO
37788	MEDMARC CASUALTY INS CO	13080	NEW HAMPSHIRE INSURANCE CO	16411	PENNSYLVANIA LUMBERMENS MUT INS
66674	MEEMIC INSURANCE CO	28746	NEW YORK MARINE AND GENERAL INS CO	11916	PENNSYLVANIA MANUFACTURERS ASSOC
38563	MEMIC INDEMNITY CO	16322	NGM INSURANCE CO	21288	PENNSYLVANIA MANUFACTURERS IND
30902	MERIDIAN SECURITY INS CO	37257	NLC MUTUAL INSURANCE CO	15849	PENNSYLVANIA NATIONAL MUTUAL CAS

Exhibit 1—2015 Bureau Membership

11126	PETROLEUM CASUALTY CO	58557	SEABRIGHT INSURANCE CO	13641	TEACHERS INSURANCE CO
17604	PHARMACISTS MUTUAL INS CO	17426	SECURA INSURANCE A MUTUAL CO	39071	TECHNOLOGY INS CO
12610	PHOENIX INSURANCE CO	34649	SECURA SUPREME INSURANCE CO	13854	TIG INSURANCE CO
39137	PIONEER SPECIALTY INSURANCE CO	40533	SECURITY NATIONAL INSURANCE CO	19275	TNUS INSURANCE CO
36056	PLATINUM UNDERWRITERS REINS	10251	SELECT INSURANCE CO	39063	TOKIO MARINE AMERICA INS CO
21172	PRAETORIAN INSURANCE CO	23957	SELECTIVE INS OF SC	33480	TOWER INSURANCE CO OF NEW YORK
32239	PREFERRED PROFESSIONAL INS CO	20583	SELECTIVE INS OF THE SOUTHEAST	17013	TOWER NATIONAL INSURANCE CO
31682	PRESERVER INS CO	13420	SENECA INSURANCE CO	28061	TOYOTA MOTOR INSURANCE CO
11819	PREVISOR INSURANCE CO	13161	SENTINEL INSURANCE CO LTD	20052	TRANS PACIFIC INSURANCE CO
51884	PRIVILEGE UNDERWRITERS RECIP EXC	37877	SENTRY CASUALTY CO	31097	TRANSGUARD INS CO OF AMERICA INC
34703	PROASSURANCE INDEMINTY CO INC	15571	SENTRY INSURANCE A MUTUAL CO	12718	TRANSPORT INSURANCE CO
30147	PROPERTY & CAS. INS. HARTFORD	13668	SENTRY SELECT INSURANCE CO	12408	TRANSPORTATION INSURANCE CO
14788	PROTECTIVE INSURANCE CO	19755	SEQUOIA INSURANCE CO	22012	TRAVELERS CAS CO
12939	PROVIDENCE WASHINGTON INS CO	22799	SFM MUTUAL INSURANCE CO	11223	TRAVELERS CAS. & SURETY CO
16152	PUBLIC SERVICE MUTUAL INS C.	16438	SHEBOYGAN FALLS INSURANCE CO	19151	TRAVELERS CAS. & SURETY OF AMER
29114	QBE INS CORP	16594	SOCIETY INSURANCE A MUTUAL CO	27405	TRAVELERS CASUALTY CO OF CT
75049	QUANTA INDEMNITY CO	19321	SOMPO JAPAN INS CO OF AMERICA	12432	TRAVELERS CASUALTY INS CO AMERICA
25569	R L I INS CO	11479	SOUTHERN FIRE & CASUALTY CO	29815	TRAVELERS COMMERCIAL CASUALTY CO
24015	RAMPART INSURANCE CO	10499	SOUTHERN GUARANTY INS CO	27391	TRAVELERS COMMERCIAL INS CO
20486	REDWOOD FIRE & CASUALTY INSURANCE CO	28916	SOUTHERN INSURANCE CO	22047	TRAVELERS CONSTITUTION STATE INS CO
11061	REGENT INSURANCE COMPANY	10553	SOUTHERN PILOT INSURANCE CO	11347	TRAVELERS INDEMNITY CO
33561	REPUBLIC CREDIT INDEMNITY CO	74941	SPARTA INSURANCE CO	13439	TRAVELERS INDEMNITY CO OF AMER.
10111	REPUBLIC FRANKLIN INSURANCE CO	21342	ST. PAUL FIRE & CASUALTY CO	12637	TRAVELERS INDEMNITY CO OF CT
19739	REPUBLIC INDEMNITY CO AMERICA	13706	ST. PAUL FIRE & MARINE INS CO	13579	TRAVELERS PROP CAS CO OF AMERICA
27561	REPUBLIC INDEMNITY CO OF CALIF.	14230	ST. PAUL GUARDIAN INSURANCE CO	20788	TRENWICK AMERICA REINSURANCE CORP
17698	REPWEST INS CO	13692	ST. PAUL MERCURY INSURANCE CO	41408	TRIANGLE INSURANCE CO INC
31690	RESPONSE WORLDWIDE INS CO	12904	ST. PAUL PROTECTIVE INS CO	11460	TRINITY UNIVERSAL INSURANCE CO
27995	RIVERPORT INSURANCE CO	15245	STANDARD FIRE INS CO	14516	TRI-STATE INS CO OF MINNESOTA
18910	ROCHDALE INSURANCE CO	24562	STAR INSURANCE CO	12236	TRIUMPH CASUALTY CO
15989	ROCKFORD MUTUAL INSURANCE CO	37834	STARNET INSURANCE CO	18244	TRUCK INSURANCE EXCHANGE
21210	ROCKWOOD CASUALTY INS CO	11193	STARR INDEMNITY & LIABILITY CO	19666	TRUMBULL INSCO
17280	RURAL MUTUAL INSURANCE CO	38073	STARSTONE NATIONAL INS CO	22071	TRUSTGARD INS CO
36471	RURAL TRUST INSURANCE CO	12807	STATE AUTO PROPERTY & CAS INS CO	30627	21 ST CENTURY ASSURANCE CO
13595	SAFECO INSURANCE CO OF AMERICA	16683	STATE AUTOMOBILE MUTUAL INS CO	18198	21 ST CENTURY CENTENNIAL INS CO
40991	SAFETY FIRST INSURANCE CO	14842	STATE FARM FIRE & CASUALTY CO	20095	21 ST CENTURY NATIONAL INS CO
16349	SAFETY NATIONAL CASUALTY CORP	12041	STATE FARM GENERAL INSURANCE CO	19208	21 ST CENTURY NORTH AMERICA INS CO
32255	SAGAMORE INSURANCE CO	30406	STATE NATIONAL INSURANCE CO	15148	21 ST CENTURY PREMIER INS CO
36412	SAMSUNG FIRE & MARINE INS CO	25631	STONINGTON INSURANCE CO	12661	21 ST CENTURY SECURITY INS CO
11886	SAN FRANCISCO REINSURANCE CO	22713	SUSSEX INS CO	14974	TWIN CITY FIRE INS CO
22276	SCOR REINSURANCE CO	40851	T. H. E. INSURANCE CO	28320	U S SPECIALTY INS CO

Exhibit 1—2015 Bureau Membership

10766	UNIGARD INDEMNITY CO	10480	X L INSURANCE AMERICA INC
13064	UNIGARD INS CO	10618	X L REINSURANCE AMERICA INC
14311	UNION INSURANCE CO	27944	X L SPECIALTY INSURANCE CO
17612	UNION INSURANCE CO OF PROVIDENCE	13145	ZENITH INSURANCE CO
12122	UNITED FIRE & CASUALTY CO	11673	ZURICH AMERICAN INS CO OF IL
37680	UNITED NATIONAL SPECIALTY INS CO	10863	ZURICH AMERICAN INSURANCE CO
10847	UNITED STATES FIDELITY & GUAR		
12777	UNITED STATES FIRE INS CO		
29076	UNITED STATES LIABILITY INS CO		
24244	UNITED WISCONSIN INSURANCE CO		
55188	UNITRIN AUTO & HOME INS CO		
16895	UNITRIN PREFERRED INS CO		
23353	UNITRIN SAFEGUARD INS CO		
12297	UNIVERSAL UNDERWRITERS INS		
15717	UTICA MUTUAL INSURANCE CO		
15032	VALLEY FORGE INSURANCE CO		
24023	VANLINER INSURANCE CO		
52567	VANTAPRO SPECIALTY INSURANCE CO		
10693	VIGILANT INSURANCE CO		
22624	VIKING INS CO OF WISCONSIN		
19879	VIRGINIA SURETY CO		
55922	WADENA INSURANCE CO		
42907	WASHINGTON INTERNATIONAL INS CO		
27332	WAUSAU BUSINESS INSURANCE CO		
12246	WAUSAU GENERAL INSURANCE CO		
18996	WAUSAU UNDERWRITERS INS CO		
26135	WESCO INSURANCE COMPANY		
11576	WEST AMERICAN INS CO		
17124	WEST BEND MUTUAL INSURANCE CO		
10642	WESTCHESTER FIRE INSURANCE CO		
13005	WESTERN NATIONAL ASSURANCE CO		
15865	WESTERN NATIONAL MUTUAL INS CO		
14451	WESTFIELD INS CO		
13536	WESTFIELD NATIONAL INS CO		
10316	WESTPORT INSURANCE CORP		
27189	WILLIAMSBURG NATIONAL INS CO		
28002	WILSON MUTUAL INS CO		
35629	WISCONSIN COUNTY MUTUAL INS		
38539	WISCONSIN MUNICIPAL MUTUAL INS CO		
73514	WORK FIRST CASUALTY CO		

Exhibit 2—2015 Membership Activity

NAME CHANGES

<u>Old Name</u>	<u>New Name</u>	<u>Effective</u>
Darwin National Assurance Co	Allied World Specialty Ins Co	10-28-14
Companion Property & Casualty Ins Co	Sussex Insurance Co	01-31-15
OneBeacon America Ins Co	Lamorak Ins Co	02-06-15
OneBeacon Insurance Co	Bedivere Insurance Co	02-09-15
American Centennial Ins Co	Berkshire Hathaway Direct Ins Co	05-19-15
Torus National Ins Co	StarStone National Ins Co	09-21-15

MERGERS

<u>Merged Company</u>	<u>Surviving Company</u>	<u>Effective</u>
York Insurance Co	Providence Washington Insurance Co	12-31-14
Companion Commercial Ins Co	Companion Property & Casualty Ins Co	01-31-15
Seaton Insurance Co	Providence Washington Insurance Co	03-31-15
Fairmont Premier Insurance Co	TIG Insurance Co	06-30-15
Fairmont Insurance Co	TIG Insurance Co	06-30-15
Fairmont Specialty Insurance Co	TIG Insurance Company	06-30-15

<u>New Members</u>	<u>Effective</u>
Amerihealth Casualty Ins Co	03-23-15
Berkshire Hathaway Specialty Ins	03-26-15
Torus National Insurance Co	06-23-15
San Francisco Reinsurance Co	08-07-15
Esurance Property & Casualty Ins	08-15-15
Rockwood Casualty Ins Co	08-31-15
Allmerica Financial Alliance	09-14-15
Privilege Underwriters Recip Exc	11-03-15

<u>Voluntary Withdrawal</u>	<u>Effective</u>	<u>Placed in Liquidation</u>	<u>Effective</u>
Nationwide Prop & Cas Ins Co	07-22-15	Lincoln General Ins Co	11-05-15

<u>Placed In Rehabilitation</u>	<u>Effective</u>
Lumbermen's Underwriting Alliance	05-19-15

Exhibit 3 – Financial Reports

3A - Statements of Income & Disbursements for the Years Ending December 31, 2014 and December 31, 2015

<u>INCOME:</u>	<u>2014</u>	<u>2015</u>
Assessments	\$7,445,565	\$7,750,778
Dues	\$3,000	\$4,000
Minimum Assessment	\$137,760	\$138,927
Dividend Reinvestment	\$52,698	\$53,946
Realized Loss - SRF	(\$30,698)	(\$38,056)
Unit Statistical Fines	\$390,750	\$341,700
Notice to Carrier Fines	\$290,000	\$360,450
60 Day Fines	\$343,200	\$347,100
Financial Call Fines	\$16,850	\$17,450
Hard Copy Fees	\$12,125	\$10,300
OAR Bank Fees	\$7,194	\$7,441
Limited liability company investments	\$171,000	(\$95,463)
Miscellaneous	\$9,881	\$1,216
Wisconsin Automobile Ins. Plan	<u>\$157,051</u>	<u>\$160,536</u>
TOTAL INCOME	\$9,006,376	\$9,060,325
<u>DISBURSEMENTS:</u>		
<u>Compensation & Related Expenses:</u>		
Compensation	\$2,918,058	\$3,059,219
Insurance Organization		
Pension Trust	\$411,664	\$394,417
Annual Periodic Pension Cost Adj.	(\$184,672)	(\$65,879) *
Group Insurance	\$793,937	\$701,394
Accrued Post Retirement Benefits Adj.	\$57,050	\$136,499 **
Payroll Taxes	\$212,367	\$221,037
ESP Program & Administration	\$173,638	\$177,151
Employee Education & Relations	\$30,498	\$37,435
Sub-Total	\$4,412,540	\$4,661,273
<u>General Operating Expenses:</u>		
Facilities & Operating Expenses	\$493,479	\$508,300
Travel/Auto/Meeting Expense	\$122,038	\$97,181
Outside Services Expense	\$204,827	\$306,762
WCPAP	\$11,157	\$10,005
WCRI	\$195,000	\$195,000
Actuarial Services	\$415,207	\$375,756
Systems and Technology		
Development	\$107,366	\$124,649
IT Purchases, Maintenance and Support	\$1,102,581	\$1,058,218
Miscellaneous	\$77,024	\$80,095
Write-Off Expense		<u>\$43,983</u>
TOTAL DISBURSEMENTS	\$7,141,219	\$7,461,222

* Annual Periodic Pension Cost Adjustment as of 12-31-15.

** Adjustment in accumulated postretirement benefit obligation from 12-31-14 to 12-31-15.

SURPLUS:

Total Income	\$9,060,325
Less: Total Disbursements	<u>\$7,461,222</u>
Sub-Total	\$1,599,103

Effect of applying the recognition provisions of generally accepted accounting principles - Pension/Postretirement	<u>(\$956,107)</u>
--	--------------------

Surplus	\$642,996
----------------	------------------

Adjustment to Surplus

(Decrease) Increase in Post Retirement Liability	\$101,039
--	-----------

(Increase) Decrease in Limited Liability Company Investments	\$95,463
--	----------

Earnings from Strategic Reserve Fund	<u>(\$13,888)</u>
--------------------------------------	-------------------

Adjusted Surplus returned to Members	\$825,610
---	------------------

APPENDIX EXHIBIT 3B AND 3C
3B—Net Bureau Operating Expense Comparison

	<u>2014</u>	<u>2015</u>
Total Disbursements	\$7,141,219	\$7,461,222
Less: Income from Special Bureau Services	<u>\$1,227,051</u>	<u>\$1,246,193</u>
Net Operating Costs	\$5,914,168	\$6,215,029

3C—Net Bureau Operating Expense Ratio to Wisconsin Premiums Written

<u>YEAR</u>	<u>TOTAL WRITTEN WI PREMIUM</u>	<u>NET BUREAU OPERATING EXPENSE</u>	<u>RATIO</u>
2014	\$1,812,772,013	\$5,914,168	0.33
2015*	\$1,850,000,000	\$6,215,029	0.33

*Estimated