

ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

Balance Sheets
December 31, 2007 and 2006

ASSETS	2007	2006
Cash and cash equivalents	\$ 1,213,660	\$ 837,943
Assessments receivable, net of allowance for doubtful accounts of \$19,988 at December 31, 2007 and 2006	29,534	193,334
Other Assets	-	119
	\$ 1,243,194	\$ 1,031,396
LIABILITIES AND MEMBERS' DEFICIT		
Estimated insurance contractual obligations payable	\$ 1,536,000	\$ 1,580,000
Deferred revenue from members	30,467	23,014
Accounts payable and accrued liabilities	3,695	22,279
	1,570,162	1,625,293
Members' deficit	(326,968)	(593,897)
Commitments and contingencies	-	-
	\$ 1,243,194	\$ 1,031,396

See accompanying notes to financial statements.

ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

Statements of Activities Years Ended December 31, 2007 and 2006

	2007			2006		
	Administrative Fund	Insolvency Funds	Total	Administrative Fund	Insolvency Funds	Total
REVENUES:						
Member assessments	\$ 173,250	\$ 250,000	\$ 423,250	\$ 178,000	\$ —	\$ 178,000
Funds received from liquidators	—	14,319	14,319	—	134,492	134,492
Net investment income	3,121	38,867	41,988	(297)	35,965	35,668
Total revenues	176,371	303,186	479,557	177,703	170,457	348,160
EXPENSES:						
Claims and claims handling:						
Assumption reinsurance payments	—	125,825	125,825	—	129,719	129,719
Change in estimated insurance contractual obligations payable	—	(44,000)	(44,000)	—	(90,000)	(90,000)
Total claims and claims handling	—	81,825	81,825	—	39,719	39,719
Accounting and auditing fees	46,943	—	46,943	57,676	—	57,676
Executive director fee	31,895	6,914	38,809	41,780	2,112	43,892
NOLHGA dues and assessments	31,448	6,732	38,180	29,077	24,684	53,761
Uncollectible member assessments	(11,099)	—	(11,099)	2,250	139	2,389
Travel	11,184	1,243	12,427	16,187	—	16,187
General and administrative	5,543	—	5,543	6,093	—	6,093
Total expenses	115,914	96,714	212,628	153,063	66,654	219,717
Decrease in members' deficit	60,457	206,472	266,929	24,640	103,803	128,443
Members' equity (deficit) beginning of year	57,475	(651,372)	(593,897)	32,835	(755,175)	(722,340)
Members' equity (deficit) end of year	\$ 117,932	\$ (444,900)	\$ (326,968)	\$ 57,475	\$ (651,372)	\$ (593,897)

See accompanying notes to financial statements.

ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

Statements of Cash Flows Years Ended December 31, 2007 and 2006

	2007	2006
Cash flows from operating activities:		
Cash received from member company assessments and estate distributions, net	\$ 619,921	\$ 437,667
Cash paid for policyholder obligations	(125,825)	(129,719)
Cash paid to consultants and suppliers	(160,366)	(161,715)
Interest received	41,987	34,914
Net cash provided by operating activities	375,717	181,147
Cash and cash equivalents, beginning of year	837,943	656,796
Cash and cash equivalents, end of year	1,213,660	837,943
Cash flows from operating activities:		
Decrease in members' deficit	\$ 266,929	\$ 128,443
Adjustments to reconcile decrease in members' deficit to net cash provided by operating activities:		
Depreciation expense	119	137
Decrease in assessments receivable	163,800	125,021
Increase (decrease) in:		
Estimated insurance contractual obligations payable	(44,000)	(90,000)
Deferred revenue from members	7,453	1,788
Accounts payable and accrued liabilities	(18,584)	15,758
Net cash provided by operating activities	\$ 375,717	\$ 181,147

See accompanying notes to financial statements.