



**WCF** INSURANCE

2023

**Annual Report | WE CARE FOR YOU**



## WE CARE FOR OUR POLICYHOLDERS

As we close another year at WCF Insurance, we reflect on our journey together, the strides we've made, and the path that lies ahead. Your unwavering trust and support fuel our commitment to excellence, and for that, we extend our deepest gratitude. At WCF, we care for you and the communities we serve, and it's this caring spirit that drives our dedication.

### A YEAR OF UNYIELDING PROGRESS

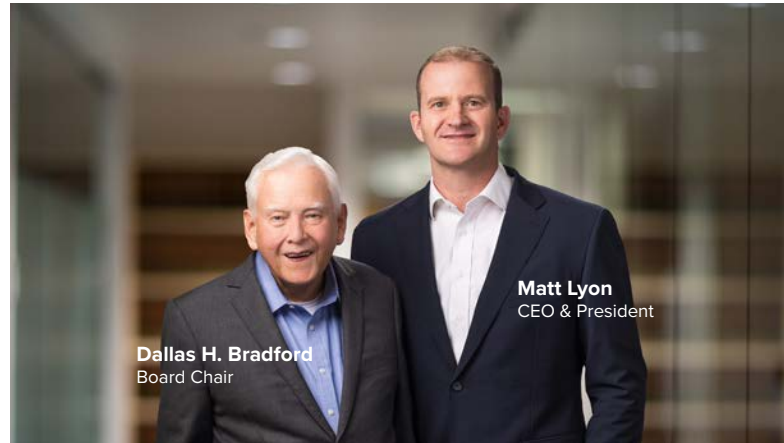
2023 has been a hallmark year for WCF Insurance, as shown by significant growth and enduring financial strength. We are proud to report direct written premiums of \$404 million, a testament to our expanding reach and the trust you place in us. Our strategic expansion into Arizona, Nevada, and Idaho with Business Owner's Insurance and Commercial Auto has been met with enthusiasm, further driving our growth. Amidst these achievements, our financial foundation has grown even stronger, with reserves of \$1.339 billion and our statutory surplus reaching \$1.247 billion. Our financial strength is underscored by AM Best's reaffirmation of WCF's A "Excellent" rating and stable outlook, reflecting our unwavering commitment to stability and reliability.

### INVESTING IN OUR LEADERSHIP TO SERVE YOU BETTER

As we continue to put thoughtful care into enhancing our offerings and service, we've made strategic additions to our leadership team. We're thrilled to welcome Brian Stuart as our new Senior Vice President of Large Commercial. Brian brings with him an impressive track record and a wealth of experience in the insurance industry. His expertise in large commercial strategies and his visionary approach are invaluable assets as we expand our portfolio and refine our services to meet your evolving needs.

### INNOVATION AND SERVICE EXCELLENCE

In a significant move towards operational excellence, last year we restructured our organization into three strategic business units. This was designed to sharpen our focus to deliver exceptional value and service to our partners and policyholders. By aligning our teams, we've enhanced our agility and responsiveness to care for your needs, ensuring that we remain closely attuned to the evolving landscape of your businesses and the insurance industry at large. We also introduced new automatic renewal features and payment options to simplify and enhance your experience with us. These improvements are part of our broader commitment to leveraging technology for more responsive and personalized service, ensuring that managing your insurance needs is as seamless and efficient as possible.



**Dallas H. Bradford**  
Board Chair

**Matt Lyon**  
CEO & President

### STRENGTHENING COMMUNITY TIES

Our dedication to community engagement has taken a significant leap forward this year with the launch of the Community Connections program in partnership with the Utah Jazz. This initiative and the dozens of other partnerships we have across our community has allowed us to strengthen our impact significantly, with our employees collectively contributing over 2,000 hours of volunteer work and touching over 10,000 lives. We also donated \$2 million to over 100 organizations across our core states. These efforts exemplify our care and commitment to making a meaningful difference in the communities in which we live and work.

### LOOKING AHEAD WITH OPTIMISM

The path ahead is filled with promise, and we are poised for further innovations, product enhancements, and opportunities to enrich our communities. With the guidance of seasoned leaders, the dedication of our team, and your continued trust, we look forward to bringing more value, security, and support to your businesses.

Your trust in us is the foundation of our success, and we do not take it lightly. We remain committed to your safety, success, and satisfaction, now and in the years to come. As always, we want to hear from you. Take advantage of our surveys and feedback tools to let us know how we're doing. Delivering on the needs of our policyholders is why we exist.

Thank you for your business and be careful out there.

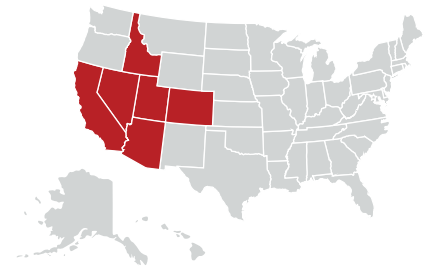
**Matt Lyon**  
CEO & President

**Dallas H. Bradford**  
Board Chair



# WE CARE FOR OUR LOCAL COMMUNITIES

Local partners  
Local contributions  
Local impact



## WCF PHILANTHROPY

Donated over \$2 million to 100+ organizations.



## EMPLOYEE COMMUNITY ENGAGEMENT

Dedicated more than 2,000 volunteer hours, directly impacting 10,000+ lives.

### ARIZONA OFFICE

- Worked with our agency partners to support the Hydrate AZ Water Drive put on by the Salvation Army.
- Participated in the Big AZ Volunteer Day to assemble over 2,500 H.E.L.P. Snackz Bag, designated to support at-risk, displaced, and homeless children.

### CALIFORNIA OFFICE

- Sponsored the Diversity Summit & Business Expo hosted by the Sacramento Black Chamber of Commerce, Sacramento Rainbow Chamber of Commerce, and the Sacramento Hispanic Chamber of Commerce.

### COLORADO OFFICE

- Continued partnership with Warren Village, a non-profit dedicated to support low-income, single-parent families.
- Provided ongoing support to CU Denver's Risk Management program, through mentoring and the WCF Scholarship Fund.
- Actively engaged with the Insurance Industry Charitable Foundation Board.

### IDAHO OFFICE

- Partnered with the Idaho Foodbank to pack backpacks for children with food insecurity.
- Collaborated with the Salvation Army to collect Giving Tree donations.
- Actively involved with the American Heart Association and the Go Red for Women Campaign.

### NEVADA OFFICE

- Collaborated with local agency partners and community organizations to participate in WCF's annual food drive, collecting 500+ pounds of food, 4,500+ baby care items, and 200+ feminine hygiene products to be donated to the Las Vegas Rescue Mission.

### UTAH OFFICES

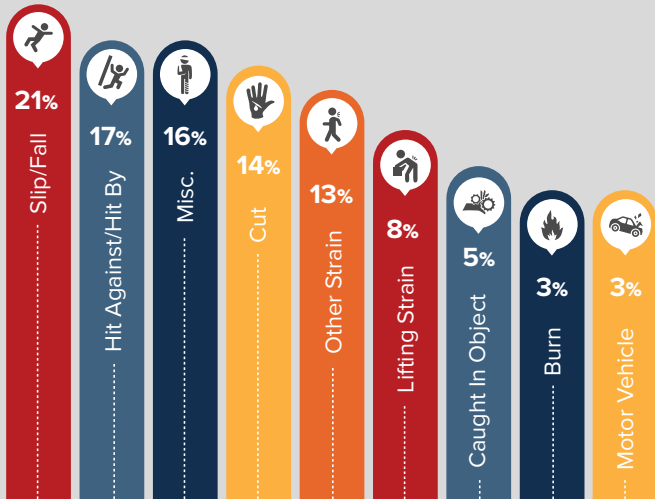
- Hosted a holiday campaign to promote safe driving by offering 1,000 discounted Uber rides.
- Launched the Community Connections Program with the Utah Jazz.
- Volunteered with several organizations, including local soup kitchens, Switch Point, Camp K, and Junior Achievement programs.

# WE CARE FOR GROWTH AND SUSTAINABILITY

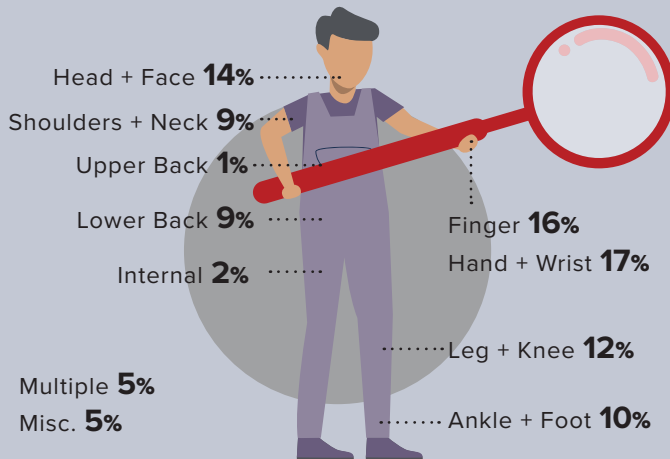
## 2023

### Workers' Compensation Claim Statistics

PERCENTAGE OF WCF INSURANCE CLAIMS FILED BY **ACCIDENT TYPE**



PERCENTAGE OF WCF INSURANCE CLAIMS FILED BY **BODY PART**



## 2023

### Financial Statement Highlights

#### Statement of Operations – Statutory Basis

Year Ending December 31	2023	2022
(in thousands)		
Direct written premium	\$ 403,882	\$ 390,104
Net premiums earned	\$ 443,635	\$ 372,108
Losses and loss adjustment expenses	333,972	243,214
Underwriting expenses	151,506	126,376
Underwriting gain (loss)	(41,843)	2,518
Net investment income	96,129	72,640
Net realized capital gains (losses) on investments, net of tax	(6,108)	(688)
Other income (expenses)	(967)	(2,625)
Policyholder dividends	(14,920)	(16,807)
Federal income tax	(8,559)	(14,272)
Net income	\$ 23,732	\$ 40,766

#### Balance Sheet – Statutory Basis

December 31	2023	2022
(in thousands)		
Admitted assets	\$ 2,826,012	\$ 2,648,523
Reserve for losses and loss adjustment expenses	\$ 1,338,936	\$ 1,260,381
Other liabilities	240,385	208,196
Policyholders' surplus	1,246,691	1,179,946
Liabilities and policyholders' surplus	\$ 2,826,012	\$ 2,648,523
Inforce Policies	27,436	24,122

