

December 31, 2021 - Annual Statement

Iowa Company Number: 0106

Farmers Mutual Insurance Association

William Brandau
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OSAGE IA 50461

DECEMBER 31, 2021

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4

\$ 5,898,615

INCOME - INCREASES IN LEDGER ASSETS

PREMIUMS				
(1) Direct Premiums	(2) Reinsurance Premiums Assumed	(3) Per Risk Reinsurance Premiums Ceded	(4) Net Premiums (1 + 2 - 3 = 4)	
2. Fire	\$ 1,023,671	\$	\$ 1,023,671	
3. Windstorm	1,387,735		1,387,735	
4. Other				
5. Totals	\$ 2,411,406	\$	\$ 2,411,406	
6. All reinsurance premiums ceded other than Per Risk			673,920	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 7)				\$ 1,737,486
8. Interest received on bonds			98,550	
9. Increase in adjustment of bonds \$		888		
\$ 18,020 decrease in adjustment of bonds			(17,132)	
10. Dividends received			31,083	
11. Interest received on bank deposits (schedule C-2, column 7)			4,387	
12. Other Interest				
13. Profit on sale of investment			134,483	
14. Rents received*			6,175	
15. Total income from investments (items 8 through 14)				\$ 257,546
16. Borrowed money				
17. Premiums collected for other companies (less refunds)			173,510	
18. Increase in ledger liabilities				
19. "Overwrite Fees" received				
20. Federal income tax refund				
21. Miscellaneous income			38,150	
22.				
23. Total (items 16 through 22)				\$ 211,660
24. Total income (items 7, 15, and 23)				\$ 2,206,692
25. Total assets and income (item 1 plus item 25)				\$ 8,105,307

*Includes \$ 6,175 For association's occupancy of its own buildings

DECEMBER 31, 2021

1. Amount brought forward from line 29 page 2				\$ 8,105,307
DISBURSEMENTS - DECREASES IN LEDGER ASSETS				
	(1)	(2)	(3)	(4)
	Direct Losses	Reinsurance Assumed	Per Risk Reinsurance Losses Ceded	Net Losses Paid (1 + 2 - 3 = 4)
2. Fire.	\$ 591,299	\$	\$ 85,194	\$ 506,105
3. Windstorm	83,257			83,257
4. Other (Sch G)				
5. Totals	\$ 674,556	\$	\$ 85,194	\$ 589,362
6. All reinsurance losses ceded other than Per Risk Losses				
7. Net losses (line 5, col.4 - line 6 = line 7)				\$ 589,362
OPERATING EXPENSE				
8. Loss Adjustment Expenses				46,934
9. Commissions				339,606
10. Advertising				15,497
11. Boards, bureaus and associations				8,527
12. Inspection and loss prevention				2,855
13. Salaries of officers.				129,347
14. Expenses of officers				
15. Salaries of office employees				141,654
16. Employee welfare				52,031
17. Insurance				18,912
18. Directors' compensation				15,162
19. Directors' expenses				
20. Rent and other items				6,175
21. Equipment				33,877
22. Printing, stationery and supplies				3,639
23. Postage and telephone				32,484
24. Legal and auditing				13,425
25. State insurance taxes	March 1	1,048		
	June 1	12,225	August 15	12,225
				25,498
26. Insurance Division licenses and fees				501
27. Payroll taxes				22,346
28. All other taxes (excluding Federal income)				279
29. Real estate expenses				7,141
30. Real estate taxes				2,575
31. Interest on borrowed money				
32. Miscellaneous				
a. Annual Meeting.....				8,750
b. Donations/Contributions.....				3,430
c. Travel and Travel Items.....				524
d. Over and Short.....				640
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33. Automobile Expense				
34. Total operating expense (items 8 through 33)				\$ 931,809
NON-OPERATING EXPENSE				
35. Borrowed money repaid				
36. Depreciation on real estate				3,249
37. Loss on sale of investments				
38. Federal income tax Prior year	107,677		Current year	151,736
				259,413
39. Premium collections transmitted to other companies				139,440
40. Commissions paid agents for other companies				30,061
41. Decrease in ledger liabilities				
42. Federal income tax penalty/interest				
43. Total non-operating expense (items 35 through 42)				\$ 432,163
44. Total disbursements (items 7, 34 and 43)				\$ 1,953,334
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4				\$ 6,151,973

ASSETS - DECEMBER 31, 2021

	(1) Ledger Assets	(2) Non-ledger	(3) Non-admitted Assets including excess of book over market or amortized values	(4) Current Year Net Admitted Assets (1+2-3=4)	(5) Prior Year Net Admitted Assets
1. Bonds (schedule A-part 1)	\$ 3,101,548	\$	\$	3,101,548	\$ 2,848,039
2. Stocks (schedule A-part 2).	1,676,561	1,537,134		3,213,695	\$ 2,798,953
3. Bank Balances					
3.1 Check (C-1)	92,051			92,051	\$ 123,457
3.2 Interest Bearing (C-2)	1,166,650			1,166,650	\$ 1,113,128
4. Real estate (schedule F)	84,395		20,312	64,083	\$ 59,105
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	xxxxxxx
6.2 Due after November 1		2,895		2,895	\$ 11,036
7. Reinsurance receivable on paid losses					\$ -
8. Accrued interest	xxxxxxx	22,748		22,748	\$ 21,975
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	4,773		4,773	xxxxxxx	xxxxxxx
11. Automobiles	17,929		17,929	xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. Electronic data processing equipment	7,424		1,783	5,641	\$ 6,935
15. Service fees & misc receivables		27,830		27,830	\$ 20,264
16. Prepaid Reins. & other assets	544			544	\$ 338
17. Totals	\$ 6,151,974	\$ 1,590,607	\$ 44,797	\$ 7,697,784	\$ 7,003,330

LIABILITIES - DECEMBER 31, 2021

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 1,930,806		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	1,930,806		
4. Less: reinsurance recoverable on unpaid losses	1,067,306		
5. Net unpaid claims		\$ 863,500	\$ 19,200
6. Unpaid adjusting expenses		10,600	3,200
7. Ceded reinsurance balances payable		57,979	56,289
8. Unpaid salaries and commissions		931	39,906
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		3,250	3,305
12. Taxes payable: Real Estate		2,572	2,471
Federal Income			109,000
Premium		-	1,048
Other		860	837
13. Other unpaid expenses		4,647	4,082
14. Premiums collected for other companies - not remitted		13,477	12,735
15. Premiums received in advance		44,098	57,409
*16. Unearned premium reserve		963,000	955,000
17. Service Fees and Employee Benefits Payable		13,485	23,926
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,978,399	\$ 1,288,408
20. Surplus		\$ 5,719,385	\$ 5,714,922
21. Total liabilities and surplus		\$ 7,697,784	\$ 7,003,330

(line 21 must agree with line 17, column 4, page 4)

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2021	2020	2019	2018	2017
Gross Premium					
Fire	1,023,671	1,037,104	994,446	923,166	959,704
Windstorm	1,387,735	1,407,908	1,345,682	1,244,538	1,297,828
Other	-	-	-	-	-
Total Direct Premiums	2,411,406	2,445,012	2,340,128	2,167,704	2,257,532
Net Premiums Written					
Fire	1,023,671	1,037,104	994,446	923,166	959,704
Windstorm	1,387,735	1,407,908	1,345,682	1,244,538	1,297,828
Other	-	-	-	-	-
Total Direct Premiums	2,411,406	2,445,012	2,340,128	2,167,704	2,257,532
Total Net of Reinsurance	1,737,486	1,787,777	1,634,480	1,438,312	1,569,969
Gross Losses Paid					
Fire	591,299	330,935	731,297	393,866	348,283
Windstorm	83,257	83,347	77,588	280,120	1,014,701
Other	-	-	-	-	-
Total	674,556	414,282	808,885	673,986	1,362,984
Net Losses Paid					
Fire	506,105	330,935	731,297	393,866	348,283
Windstorm	83,257	83,347	77,588	280,120	1,014,701
Other	-	-	-	-	-
Total	589,362	414,282	808,885	673,986	1,362,984
Total Net of Reinsurance	589,362	414,282	668,167	662,233	1,362,984
Loss Percentage (Direct)					
Fire Losses/Fire Prem	57.8%	31.9%	73.5%	42.7%	36.3%
Windstorm Losses/Windstorm Prem	6.0%	5.9%	5.8%	22.5%	78.2%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	28.0%	16.9%	34.6%	31.1%	60.4%
Loss Percentage (Net)					
Fire Losses/Fire Prem	49.4%	31.9%	73.5%	42.7%	36.3%
Windstorm Losses/Windstorm Prem	6.0%	5.9%	5.8%	22.5%	78.2%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	24.4%	16.9%	34.6%	31.1%	60.4%
Net Losses/Net Premiums	33.9%	23.2%	40.9%	46.0%	86.8%
Balance Sheet Items					
Total Admitted Assets	7,697,784	7,003,331	6,006,269	5,222,132	4,887,880
Liabilities	1,978,399	1,288,408	1,206,110	1,123,958	1,207,359
Surplus	5,719,385	5,714,923	4,800,159	4,098,174	3,680,521
Bonds	3,101,548	2,848,039	2,903,835	2,864,797	2,656,997
Stocks	3,213,695	2,798,953	2,256,937	1,707,918	1,789,084
Real Estate	64,083	59,105	48,751	51,133	51,785
Unpaid Premium (line 8.1)	-	-	-	-	-
Unpaid Premium (line 8.2)	2,895	11,036	24,182	27,735	8,400
Unearned Premium	963,000	955,000	937,000	870,000	901,000
Balance Sheet Percentages					
Bonds/Admitted Assets	40%	41%	48%	55%	54%
Stocks/Admitted Assets	42%	40%	38%	33%	37%
Real Estate/Admitted Assets	1%	1%	1%	1%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	1%	0%
Income/Disbursement Items					
Total Income	2,206,692	2,176,880	2,033,213	1,941,632	2,035,967
Total Disbursements	1,953,334	1,528,801	1,641,772	1,609,816	2,256,162
Operating Expense	931,809	854,137	840,571	751,597	721,196
Commissions	339,606	313,414	295,733	273,673	285,140
Investment Income	257,546	174,856	198,030	194,342	223,601
Salaries (lines 14-17)	323,032	299,084	288,346	252,638	213,722
Other					
Gross Risk in Force	663,160,796	635,396,838	602,626,544	582,904,770	578,193,610
Number of Policies	1,726	1,753	1,751	1,765	1,768
Operating Expense/Net Premium	54%	48%	51%	52%	46%