

December 31, 2021 - Annual Statement

Iowa Company Number: 0117

Farmers Mutual Insurance Association

Duane McGregor
915 BROADWAY, PO BOX 333
EMMETSBURG IA 50536

DECEMBER 31, 2021

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4				\$ 7,494,190
INCOME - INCREASES IN LEDGER ASSETS				
	PREMIUMS			
	(1)	(2)	(3)	(4)
	Direct Premiums	Reinsurance Premiums Assumed	Per Risk Reinsurance Premiums Ceded	Net Premiums (1 + 2 - 3 = 4)
2. Fire	\$ 1,347,496	\$	\$ 69,103	\$ 1,278,393
3. Windstorm	1,237,674		69,102	1,168,572
4. Other	37,317			37,317
5. Totals	\$ 2,622,487	\$	\$ 138,205	\$ 2,484,282
6. All reinsurance premiums ceded other than Per Risk				309,919
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 7)				\$ 2,174,363
8. Interest received on bonds				134,329
9. Increase in adjustment of bonds \$		740		
\$	25,843	decrease in adjustment of bonds		(25,103)
10. Dividends received				215,697
11. Interest received on bank deposits (schedule C-2, column 7)				2,084
12. Other Interest				
13. Profit on sale of investment				88,639
14. Rents received*				1,200
15. Total income from investments (items 8 through 14)				\$ 416,846
16. Borrowed money				
17. Premiums collected for other companies (less refunds)				
18. Increase in ledger liabilities				6,585
19. "Overwrite Fees" received				17,129
20. Federal income tax refund				
21. Miscellaneous income				
22.				
23. Total (items 16 through 22)				\$ 23,714
24. Total income (items 7, 15, and 23)				\$ 2,614,923
25. Total assets and income (item 1 plus item 24)				\$ 10,109,113

*Includes \$ 1,200 For association's occupancy of its own buildings

DECEMBER 31, 2021

1. Amount brought forward from line 25 page 2				\$ 10,109,113
DISBURSEMENTS - DECREASES IN LEDGER ASSETS				
	(1)	(2)	(3) Per Risk Reinsurance Losses Ceded	(4) Net Losses Paid (1 + 2 - 3 = 4)
2. Fire.	\$ 336,020		\$ 242,288	\$ 93,732
3. Windstorm	82,345			82,345
4. Other (Sch G)	91,110			91,110
5. Totals	\$ 509,475	\$	\$ 242,288	\$ 267,187
6. All reinsurance losses ceded other than Per Risk Losses				13,746
7. Net losses (line 5, col.4 - line 6 = line 7)				\$ 253,441
OPERATING EXPENSE				
8. Loss Adjustment Expenses				100,406
9. Commissions				373,874
10. Advertising				2,682
11. Boards, bureaus and associations				8,466
12. Inspection and loss prevention				
13. Salaries of officers.				69,500
14. Expenses of officers				
15. Salaries of office employees				77,267
16. Employee welfare				55,251
17. Insurance				19,611
18. Directors' compensation				13,505
19. Directors' expenses				
20. Rent and other items				6,290
21. Equipment				21,739
22. Printing, stationery and supplies				1,735
23. Postage and telephone				14,199
24. Legal and auditing				19,820
25. State insurance taxes	March 1	659		
	June 1	12,488	August 15	12,488
				25,635
26. Insurance Division licenses and fees				11,552
27. Payroll taxes				19,803
28. All other taxes (excluding Federal income)				
29. Real estate expenses				1,935
30. Real estate taxes				3,460
31. Interest on borrowed money				
32. Miscellaneous				6,666
Data Processing Expense				27,836
Meals & Entertainment				1,569
Education				2,476
Investment Expense				24,466
33. Automobile Expense				
34. Total operating expense (items 8 through 33)				\$ 909,743
NON-OPERATING EXPENSE				
35. Borrowed money repaid				
36. Depreciation on real estate				4,417
37. Loss on sale of investments				
38. Federal income tax Prior year _____ Current year _____			48,213	48,213
39. Premium collections transmitted to other companies				
40. Commissions paid agents for other companies				
41. Decrease in ledger liabilities				
42. .				
43. Total non-operating expense (items 35 through 42)				\$ 52,630
44. Total disbursements (items 7, 34 and 43)				\$ 1,215,814
45. Balance - ledger assets, December 31st must agree with Line 17, Column 1, Page 4				\$ 8,893,299

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)	\$ 4,843,825			4,843,825	\$ 4,072,761
2. Stocks (schedule A-part 2).	2,372,318	1,101,308		3,473,626	\$ 2,965,080
3. Bank Balances					
3.1 Check (C-1)	168,402			168,402	\$ 208,621
3.2 Interest Bearing (C-2)	394,227			394,227	\$ 228,196
4. Real estate (schedule F)	132,336			132,336	\$ 136,753
5. Cash in office	50			50	\$ 50
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	
6.2 Due after November 1	407,628		403,703	3,925	\$ 4,843
7. Reinsurance receivable on paid losses					\$ 82,444
8. Accrued interest	xxxxxxx	37,758		37,758	\$ 34,335
9. Accrued rent due	xxxxxxx				
10. Equipment and furniture	11		11	xxxxxxx	xxxxxxx
11. Automobiles	69,386		69,386	xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					
13. Federal income tax recoverable					
14. Prepaid Reinsurance	500,000			500,000	\$ 400,000
15. Employee Benefit Receivable	116			116	\$ (1,771)
16. Electronic Data Process Equip	5,000			5,000	\$ 5,000
17. Totals	\$ 8,893,299	\$ 1,139,066	\$ 473,100	\$ 9,559,265	\$ 8,136,312

LIABILITIES - DECEMBER 31, 2021

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 864,714		
2. Unpaid claims (incurred but not reported)	22,000		
3. Total unpaid losses	886,714		
4. Less: reinsurance recoverable on unpaid losses	150,000		
5. Net unpaid claims		\$ 736,714	\$ 195,738
6. Unpaid adjusting expenses		5,000	5,000
7. Ceded reinsurance balances payable		38,061	30,358
8. Unpaid salaries and commissions		140,302	135,315
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		3,271	2,539
12. Taxes payable: Real Estate		1,730	1,720
Federal Income		68,000	
Premium		1,241	668
Other		1,841	2,146
13. Other unpaid expenses		8,076	5,464
14. Premiums collected for other companies - not remitted		20,961	19,764
15. Premiums received in advance		78,790	69,471
*16. Unearned premium reserve		933,513	870,928
17. Service Fees and Employee Benefits Payable			
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 2,037,500	\$ 1,339,111
20. Surplus		\$ 7,521,765	\$ 6,797,201
21. Total liabilities and surplus		\$ 9,559,265	\$ 8,136,312

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

*Method of calculation: Actual, daily pro-rata

HISTORICAL INFORMATION

	2021	2020	2019	2018	2017
Gross Premium					
Fire	1,347,496	1,285,691	1,253,752	1,179,828	1,147,235
Windstorm	1,237,674	1,212,733	1,179,182	1,111,393	1,076,008
Other	37,317				
Total Direct Premiums	2,622,487	2,498,424	2,432,934	2,291,221	2,223,243
Net Premiums Written					
Fire	1,278,393	1,284,729	1,252,348	1,178,952	1,146,684
Windstorm	1,168,572	1,211,771	1,177,777	1,110,516	1,075,456
Other	37,317				
Total Direct Premiums	2,484,282	2,496,500	2,430,125	2,289,468	2,222,140
Total Net of Reinsurance	2,174,363	2,063,361	2,013,059	1,886,991	1,817,280
Gross Losses Paid					
Fire	336,020	784,062	394,855	358,972	449,218
Windstorm	82,345	625,772	1,398,693	4,364,220	748,397
Other	91,110				
Total	509,475	1,409,834	1,793,548	4,723,192	1,197,615
Net Losses Paid					
Fire	93,732	784,062	394,855	358,972	449,218
Windstorm	82,345	625,772	1,398,693	4,364,220	748,397
Other	91,110				
Total	267,187	1,409,834	1,793,548	4,723,192	1,197,615
Total Net of Reinsurance	253,441	1,199,156	417,956	1,456,695	1,024,106
Loss Percentage (Direct)					
Fire Losses/Fire Prem	24.9%	61.0%	31.5%	30.4%	39.2%
Windstorm Losses/Windstorm Prem	6.7%	51.6%	118.6%	392.7%	69.6%
Other Losses*/Other Premiums	244.2%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	19.4%	56.4%	73.7%	206.1%	53.9%
Loss Percentage (Net)					
Fire Losses/Fire Prem	7.3%	61.0%	31.5%	30.4%	39.2%
Windstorm Losses/Windstorm Prem	7.0%	51.6%	118.8%	393.0%	69.6%
Other Losses*/Other Premiums	244.2%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	10.8%	56.5%	73.8%	206.3%	53.9%
Net Losses/Net Premiums	11.7%	58.1%	20.8%	77.2%	56.4%
Balance Sheet Items					
Total Admitted Assets	9,559,265	8,136,312	7,524,111	6,277,573	6,705,592
Liabilities	2,037,500	1,339,111	1,439,939	1,086,487	1,120,569
Surplus	7,521,765	6,797,201	6,084,172	5,191,086	5,585,023
Bonds	4,843,825	4,072,761	3,726,985	3,193,282	2,949,637
Stocks	3,473,626	2,965,080	2,695,719	2,258,644	2,689,853
Real Estate	132,336	136,753	141,170	145,588	150,000
Unpaid Premium (line 8.1)	-	-	66	274	400
Unpaid Premium (line 8.2)	3,925	4,843	3,357	6,424	11,658
Unearned Premium	933,513	870,928	840,086	790,485	765,555
Balance Sheet Percentages					
Bonds/Admitted Assets	51%	50%	50%	51%	44%
Stocks/Admitted Assets	36%	36%	36%	36%	40%
Real Estate/Admitted Assets	1%	2%	2%	2%	2%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	2,614,923	2,283,410	2,400,742	2,326,641	2,063,643
Total Disbursements	1,215,814	2,208,217	1,368,221	2,363,394	1,849,165
Operating Expense	909,743	879,581	838,811	810,774	799,384
Commissions	373,874	357,868	307,501	330,862	322,026
Investment Income	416,846	202,089	373,525	305,460	232,196
Salaries (lines 14-17)	202,018	217,233	186,068	196,603	195,951
Other					
Gross Risk in Force	683,978,876	653,685,717	638,961,928	599,396,849	580,797,207
Number of Policies	2,088	2,070	2,064	2,010	1,990
Operating Expense/Net Premium	42%	43%	42%	43%	44%