

December 31, 2021 - Annual Statement

Iowa Company Number: 0141

Farmers Mutual Insurance Association

Dan Dierks

PO BOX 59

TRAER

IA

50675-005

DECEMBER 31, 2021

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4				\$ 3,414,482
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	\$ 458,625			\$ 458,625
3. Windstorm	428,453			428,453
4. Other				
5. Totals	\$ 887,078			\$ 887,078
6. All reinsurance premiums ceded other than Per Risk				434,377
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 7)				\$ 452,701
8. Interest received on bonds				90,046
9. Increase in adjustment of bonds \$ <u>4,308</u> , less \$ <u>15,587</u> decrease in adjustment of bonds				(11,279)
10. Dividends received				6,735
11. Interest received on bank deposits (schedule C-2, column 7)				1,001
12. Other Interest				56
13. Profit on sale of investment				7,147
14. Rents received*				3,600
15. Total income from investments (items 8 through 14)				\$ 97,306
16. Borrowed money				
17. Premiums collected for other companies (less refunds)				42,290
18. Increase in ledger liabilities				3,076
19. "Overwrite Fees" received				
20. Federal income tax refund				2,630
21. Miscellaneous income				
22.				
23. Total (items 16 through 22)				\$ 47,996
24. Total income (items 7, 15, and 23)				\$ 598,003
25. Total assets and income (item 1 plus item 25)				\$ 4,012,485

*Includes \$ 2,400 For association's occupancy of its own buildings

DECEMBER 31, 2021

1. Amount brought forward from line 29 page 2

\$ 4,012,485

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.	\$ 115,044	\$	\$	\$ 115,044
3. Windstorm	1,521,927			1,521,927
4. Other (Sch G)				
5. Totals	\$ 1,636,971	\$	\$	\$ 1,636,971

6. All reinsurance losses ceded other than Per Risk Losses

1,052,798

7. Net losses (line 5, col.4 - line 6 = line 7)

\$ 584,173

OPERATING EXPENSE

8. Loss Adjustment Expenses				(150,183)
9. Commissions				123,375
10. Advertising				2,610
11. Boards, bureaus and associations				6,313
12. Inspection and loss prevention				494
13. Salaries of officers.				41,900
14. Expenses of officers				
15. Salaries of office employees				84,751
16. Employee welfare				372
17. Insurance				13,702
18. Directors' compensation				3,050
19. Directors' expenses				
20. Rent and other items				2,570
21. Equipment				10,500
22. Printing, stationery and supplies				2,430
23. Postage and telephone				24,627
24. Legal and auditing				15,625
25. State insurance taxes				
	March 1			
	June 1	4,350	August 15	4,528
				8,878
26. Insurance Division licenses and fees				125
27. Payroll taxes				9,886
28. All other taxes (excluding Federal income)				29
29. Real estate expenses				5,083
30. Real estate taxes				1,066
31. Interest on borrowed money				
32. Miscellaneous				45
a. Annual Meeting.....				305
b. Donations/Contributions.....				390
c. Travel and Travel Items.....				
d. Over and Short.....				345
33. Automobile Expense				
34. Total operating expense (items 8 through 33)				\$ 208,288

NON-OPERATING EXPENSE

35. Borrowed money repaid				
36. Depreciation on real estate				316
37. Loss on sale of investments				920
38. Federal income tax Prior year _____ Current year _____			12,557	12,557
39. Premium collections transmitted to other companies				33,744
40. Commissions paid agents for other companies				6,327
41. Decrease in ledger liabilities				
42. Federal income tax penalty/interest				326
43. Total non-operating expense (items 35 through 42)				\$ 54,190
44. Total disbursements (items 7, 34 and 43)				\$ 846,651
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4				\$ 3,165,835

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)	\$ 2,673,711	\$	\$	2,673,711	\$ 2,624,575
2. Stocks (schedule A-part 2).	265,957	91,182		357,139	\$ 297,306
3. Bank Balances					
3.1 Check (C-1)	(121,023)			(121,023)	\$ (276,765)
3.2 Interest Bearing (C-2)	332,156			332,156	\$ 793,515
4. Real estate (schedule F)	11,298			11,298	\$ 9,641
5. Cash in office					\$ -
6. Unpaid Premiums					
6.1 Due before November 1		7,786	7,786	xxxxxxx	xxxxxxx
6.2 Due after November 1		9,652		9,652	\$ 5,161
7. Reinsurance receivable on paid losses		382,812		382,812	\$ 203,593
8. Accrued interest	xxxxxxx	27,056		27,056	\$ 25,917
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture				xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. Electronic data processing equipment	3,735			3,735	\$ 6,710
15. Service fees & misc receivables					\$ -
16. Prepaid Reins. & other assets					\$ -
17. Totals	\$ 3,165,834	\$ 518,488	\$ 7,786	\$ 3,676,536	\$ 3,689,653

LIABILITIES - DECEMBER 31, 2021

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 1,256,923		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	1,256,923		
4. Less: reinsurance recoverable on unpaid losses	1,141,923		
5. Net unpaid claims		\$ 115,000	\$
6. Unpaid adjusting expenses		8,500	7,500
7. Ceded reinsurance balances payable		36,216	35,868
8. Unpaid salaries and commissions		12,850	7,926
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		1,048	
12. Taxes payable: Real Estate		1,066	1,038
Federal Income		1,000	1,000
Premium		-	-
Other		-	-
13. Other unpaid expenses		306	1,326
14. Premiums collected for other companies - not remitted		2,749	2,724
15. Premiums received in advance		5,373	
*16. Unearned premium reserve		351,000	362,000
17. Service Fees and Employee Benefits Payable			
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 535,108	\$ 419,382
20. Surplus		\$ 3,141,428	\$ 3,270,271
21. Total liabilities and surplus		\$ 3,676,536	\$ 3,689,653

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

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2021	2020	2019	2018	2017
<u>Gross Premium</u>					
Fire	458,625	468,526	476,833	497,485	493,336
Windstorm	428,453	437,034	446,445	463,589	459,308
Other	-	-	-	-	-
Total Direct Premiums	887,078	905,560	923,278	961,074	952,644
<u>Net Premiums Written</u>					
Fire	458,625	464,333	472,618	492,933	488,595
Windstorm	428,453	437,034	446,445	463,589	459,308
Other	-	-	-	-	-
Total Direct Premiums	887,078	901,367	919,063	956,522	947,903
Total Net of Reinsurance	452,701	476,035	505,792	551,591	554,727
<u>Gross Losses Paid</u>					
Fire	115,044	192,164	283,493	278,084	417,225
Windstorm	1,521,927	4,482,362	69,038	136,486	633,639
Other	-	-	-	-	-
Total	1,636,971	4,674,526	352,531	414,570	1,050,864
<u>Net Losses Paid</u>					
Fire	115,044	192,164	283,493	278,084	417,225
Windstorm	1,521,927	4,482,362	69,038	136,486	633,639
Other	-	-	-	-	-
Total	1,636,971	4,674,526	352,531	414,570	1,050,864
Total Net of Reinsurance	584,173	476,131	242,621	305,031	612,571
<u>Loss Percentage (Direct)</u>					
Fire Losses/Fire Prem	25.1%	41.0%	59.5%	55.9%	84.6%
Windstorm Losses/Windstorm Prem	355.2%	1025.6%	15.5%	29.4%	138.0%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	184.5%	516.2%	38.2%	43.1%	110.3%
<u>Loss Percentage (Net)</u>					
Fire Losses/Fire Prem	25.1%	41.4%	60.0%	56.4%	85.4%
Windstorm Losses/Windstorm Prem	355.2%	1025.6%	15.5%	29.4%	138.0%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	184.5%	518.6%	38.4%	43.3%	110.9%
Net Losses/Net Premiums	129.0%	100.0%	48.0%	55.3%	110.4%
<u>Balance Sheet Items</u>					
Total Admitted Assets	3,676,536	3,689,654	3,934,034	3,949,005	4,080,308
Liabilities	535,108	419,382	456,972	452,821	443,122
Surplus	3,141,428	3,270,272	3,477,062	3,496,184	3,637,186
Bonds	2,673,711	2,624,575	2,619,833	2,771,136	2,812,229
Stocks	357,139	297,306	286,249	513,871	517,656
Real Estate	11,298	9,641	9,952	10,633	14,579
Unpaid Premium (line 8.1)	7,786	-	13,285	-	-
Unpaid Premium (line 8.2)	9,652	5,161	4,254	13,351	14,968
Unearned Premium	351,000	362,000	362,000	379,000	381,000
<u>Balance Sheet Percentages</u>					
Bonds/Admitted Assets	73%	71%	67%	70%	69%
Stocks/Admitted Assets	10%	8%	7%	13%	13%
Real Estate/Admitted Assets	0%	0%	0%	0%	0%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
<u>Income/Disbursement Items</u>					
Total Income	598,003	1,254,154	679,568	694,704	706,584
Total Disbursements	846,651	1,700,028	739,180	738,610	1,043,317
Operating Expense	208,288	539,305	368,058	359,523	364,640
Commissions	123,375	125,550	128,655	133,617	132,424
Investment Income	97,306	136,810	128,666	97,326	105,653
Salaries (lines 14-17)	127,023	129,570	122,714	118,616	117,679
<u>Other</u>					
Gross Risk in Force	201,710,871	206,609,323	212,955,439	221,585,317	225,451,922
Number of Policies	448	470	502	523	546
Operating Expense/Net Premium	46%	113%	73%	65%	66%