

December 31, 2021 - Annual Statement

Iowa Company Number: 0062

Farmers Mutual Insurance Association

Ann M. Langerman

PO BOX 246

FAYETTE IA 52142

DECEMBER 31, 2021

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$ 5,024,499
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	\$ 2,191,426			\$ 2,191,426	
3. Windstorm	46,001			46,001	
4. Other					
5. Totals	\$ 2,237,427			\$ 2,237,427	
6. All reinsurance premiums ceded other than Per Risk				522,367	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 7)					\$ 1,715,060
8. Interest received on bonds				104,402	
9. Increase in adjustment of bonds \$		1,963			
\$ 15,594 decrease in adjustment of bonds				(13,631)	
10. Dividends received				21,803	
11. Interest received on bank deposits (schedule C-2, column 7)				2,723	
12. Other Interest					
13. Profit on sale of investment				75,479	
14. Rents received*				3,000	
15. Total income from investments (items 8 through 14)					\$ 193,776
16. Borrowed money					
17. Premiums collected for other companies (less refunds)				194,530	
18. Increase in ledger liabilities				695	
19. "Overwrite Fees" received					
20. Federal income tax refund				30,941	
21. Miscellaneous income				95	
22.					
23. Total (items 16 through 22)					\$ 226,261
24. Total income (items 7, 15, and 23)					\$ 2,135,097
25. Total assets and income (item 1 plus item 25)					\$ 7,159,596

*Includes \$ 3,000 For association's occupancy of its own buildings

DECEMBER 31, 2021

1. Amount brought forward from line 29 page 2

\$ 7,159,596

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.	\$ 476,032	\$	\$	\$ 476,032
3. Windstorm	560,692			560,692
4. Other (Sch G)				
5. Totals	\$ 1,036,724	\$	\$	\$ 1,036,724

6. All reinsurance losses ceded other than Per Risk Losses 139,431

7. Net losses (line 5, col.4 - line 6 = line 7) \$ 897,293

OPERATING EXPENSE

8. Loss Adjustment Expenses	35,830										
9. Commissions	315,905										
10. Advertising	5,280										
11. Boards, bureaus and associations	8,207										
12. Inspection and loss prevention	50,173										
13. Salaries of officers.	67,250										
14. Expenses of officers											
15. Salaries of office employees	42,432										
16. Employee welfare	39,457										
17. Insurance	14,193										
18. Directors' compensation	4,701										
19. Directors' expenses	901										
20. Rent and other items	3,029										
21. Equipment	27,837										
22. Printing, stationery and supplies	4,797										
23. Postage and telephone	28,456										
24. Legal and auditing	26,393										
25. State insurance taxes	<table border="0" style="width:100%"> <tr> <td align="center">March 1</td> <td align="center">1,556</td> <td></td> </tr> <tr> <td>June 1</td> <td align="right">10,570</td> <td>August 15</td> </tr> <tr> <td></td> <td align="right">10,570</td> <td></td> </tr> </table>	March 1	1,556		June 1	10,570	August 15		10,570		22,696
March 1	1,556										
June 1	10,570	August 15									
	10,570										
26. Insurance Division licenses and fees	480										
27. Payroll taxes	16,245										
28. All other taxes (excluding Federal income)											
29. Real estate expenses	4,824										
30. Real estate taxes	800										
31. Interest on borrowed money											
32. Miscellaneous											
a. Annual Meeting.....											
b. Donations/Contributions.....	520										
c. Travel and Travel Items.....	551										
d. Over and Short.....	599										

33. Automobile Expense

34. Total operating expense (items 8 through 33) \$ 721,556

NON-OPERATING EXPENSE

35. Borrowed money repaid				
36. Depreciation on real estate	1,616			
37. Loss on sale of investments	6,930			
38. Federal income tax	<table border="0" style="width:100%"> <tr> <td>Prior year</td> <td>Current year</td> </tr> </table>	Prior year	Current year	
Prior year	Current year			
39. Premium collections transmitted to other companies	156,000			
40. Commissions paid agents for other companies	29,252			
41. Decrease in ledger liabilities				
42. Federal income tax penalty/interest				
43. Total non-operating expense (items 35 through 42)	\$ 193,798			
44. Total disbursements (items 7, 34 and 43)	\$ 1,812,647			
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 5,346,949			

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)	\$ 3,434,569	\$	\$	3,434,569	\$ 3,329,854
2. Stocks (schedule A-part 2)	1,104,219	486,951		1,591,170	\$ 1,300,540
3. Bank Balances					
3.1 Check (C-1)	250,700			250,700	\$ 239,507
3.2 Interest Bearing (C-2)	521,685			521,685	\$ 388,655
4. Real estate (schedule F)	24,185			24,185	\$ 25,802
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1		104	104	xxxxxxx	xxxxxxx
6.2 Due after November 1		5,161		5,161	\$ 8,081
7. Reinsurance receivable on paid losses					\$ -
8. Accrued interest	xxxxxxx	24,856		24,856	\$ 26,322
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	3,670		3,670	xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. Electronic data processing equipment	7,818		4,167	3,651	\$ 5,408
15. Service fees & misc receivables					\$ -
16. Prepaid Reins. & other assets					\$ -
17. Totals	\$ 5,346,947	\$ 517,072	\$ 7,941	\$ 5,856,078	\$ 5,324,269

LIABILITIES - DECEMBER 31, 2021

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 239,462		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	239,462		
4. Less: reinsurance recoverable on unpaid losses	100,000		
5. Net unpaid claims		\$ 139,462	\$ 127,734
6. Unpaid adjusting expenses		7,800	6,000
7. Ceded reinsurance balances payable		44,720	47,574
8. Unpaid salaries and commissions		58,938	27,392
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		3,878	4,015
12. Taxes payable: Real Estate		814	733
Federal Income		17,000	
Premium		1,234	1,556
Other		1,202	1,410
13. Other unpaid expenses		54	105
14. Premiums collected for other companies - not remitted		12,045	11,408
15. Premiums received in advance		42,908	43,232
*16. Unearned premium reserve		858,000	800,000
17. Service Fees and Employee Benefits Payable		924	664
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,188,979	\$ 1,071,823
20. Surplus		\$ 4,667,099	\$ 4,252,446
21. Total liabilities and surplus		\$ 5,856,078	\$ 5,324,269

(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	2,191,426	2,069,345	1,915,109	1,713,020	1,546,150
Windstorm	46,001	44,674	43,267	39,945	38,082
Other	-	-	-	-	-
Total Direct Premiums	2,237,427	2,114,019	1,958,376	1,752,965	1,584,232
Net Premiums Written					
Fire	2,191,426	2,069,345	1,915,109	1,713,020	1,546,150
Windstorm	46,001	44,674	43,267	39,945	38,082
Other	-	-	-	-	-
Total Direct Premiums	2,237,427	2,114,019	1,958,376	1,752,965	1,584,232
Total Net of Reinsurance	1,715,060	1,555,601	1,432,052	1,251,832	1,075,505
Gross Losses Paid					
Fire	476,032	507,623	361,291	287,347	249,255
Windstorm	560,692	281,331	212,188	315,132	1,172,354
Other	-	-	-	-	-
Total	1,036,724	788,954	573,479	602,479	1,421,609
Net Losses Paid					
Fire	476,032	507,623	361,291	287,347	249,255
Windstorm	560,692	281,331	212,188	315,132	1,172,354
Other	-	-	-	-	-
Total	1,036,724	788,954	573,479	602,479	1,421,609
Total Net of Reinsurance	897,293	749,226	571,766	473,259	1,062,021
Loss Percentage (Direct)					
Fire Losses/Fire Prem	21.7%	24.5%	18.9%	16.8%	16.1%
Windstorm Losses/Windstorm Prem	1218.9%	629.7%	490.4%	788.9%	3078.5%
Other Losses/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	46.3%	37.3%	29.3%	34.4%	89.7%
Loss Percentage (Net)					
Fire Losses/Fire Prem	21.7%	24.5%	18.9%	16.8%	16.1%
Windstorm Losses/Windstorm Prem	1218.9%	629.7%	490.4%	788.9%	3078.5%
Other Losses/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	46.3%	37.3%	29.3%	34.4%	89.7%
Net Losses/Net Premiums	52.3%	48.2%	39.9%	37.8%	98.7%
Balance Sheet Items					
Total Admitted Assets	5,856,078	5,324,268	5,004,329	4,389,379	4,233,559
Liabilities	1,188,979	1,071,822	1,135,650	919,494	714,970
Surplus	4,667,099	4,252,446	3,868,679	3,469,885	3,518,589
Bonds	3,434,569	3,329,854	3,295,747	2,738,153	2,489,929
Stocks	1,591,170	1,300,540	1,080,749	1,280,173	1,398,279
Real Estate	24,185	25,802	27,418	11,625	12,119
Unpaid Premium (line 8.1)	104	-	-	-	-
Unpaid Premium (line 8.2)	5,161	8,081	15,198	12,235	2,560
Unearned Premium	858,000	800,000	750,000	675,000	605,000
Balance Sheet Percentages					
Bonds/Admitted Assets	59%	63%	66%	62%	59%
Stocks/Admitted Assets	27%	24%	22%	29%	33%
Real Estate/Admitted Assets	0%	0%	1%	0%	0%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	2,135,097	1,901,269	1,956,269	1,569,571	1,374,525
Total Disbursements	1,812,647	1,724,180	1,413,361	1,285,146	1,825,398
Operating Expense	721,556	671,263	643,311	631,211	615,998
Commissions	315,905	297,183	294,897	240,892	216,099
Investment Income	193,776	159,107	355,740	170,150	169,451
Salaries (lines 14-17)	149,139	137,939	124,183	175,913	176,783
Other					
Gross Risk in Force	836,279,527	764,553,733	712,561,132	626,847,619	488,944,567
Number of Policies	2,176	2,115	2,051	1,927	1,826
Operating Expense/Net Premium	42%	43%	45%	50%	57%