

December 31, 2022 - Annual Statement

Iowa Company Number: 0062

Farmers Mutual Insurance Association

Ann M. Langerman

PO BOX 246

FAYETTE IA 52142

DECEMBER 31, 2022

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$ 5,346,948
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	\$ 2,460,948	\$	\$	\$ 2,460,948	
3. Windstorm	47,956			47,956	
4. Other					
5. Totals	\$ 2,508,904	\$	\$	\$ 2,508,904	
6. All reinsurance premiums ceded other than Per Risk				557,224	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$ 1,951,680
8. Interest received on bonds				98,381	
9. Increase in adjustment of bonds \$		2,615	, less		
\$	9,263	decrease in adjustment of bonds		(6,649)	
10. Dividends received				28,656	
11. Interest received on bank deposits (schedule C-2, column 7)				4,414	
12. Other Interest					
13. Profit on sale of investment				89,597	
14. Rents received*				3,000	
15. Total income from investments (items 8 through 14)					\$ 217,399
16. Borrowed money					
17. Premiums collected for other companies (less refunds)				213,829	
18. Increase in ledger liabilities				4,719	
19. "Overwrite Fees" received					
20. Federal income tax refund					
21. Miscellaneous income					
22.					
23. Total (items 16 through 22)					\$ 218,548
24. Total income (items 7, 15, and 23)					\$ 2,387,627
25. Total assets and income (item 1 plus item 25)					\$ 7,734,575

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

DECEMBER 31, 2022

1. Amount brought forward from line 29 page 2

\$ 7,734,575

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.	\$ 755,930	\$	\$	\$ 755,930
3. Windstorm	533,142			533,142
4. Other (Sch G)				
5. Totals	\$ 1,289,072	\$	\$	\$ 1,289,072

6. All reinsurance losses ceded other than Per Risk Losses 133,415

7. Net losses (line 6, col.4 - line 7 = line 8) \$ 1,155,657

OPERATING EXPENSE

8. Loss Adjustment Expenses	43,563														
9. Commissions	387,289														
10. Advertising	4,724														
11. Boards, bureaus and associations	8,507														
12. Inspection and loss prevention	54,089														
13. Salaries of officers.	71,614														
14. Expenses of officers															
15. Salaries of office employees	42,546														
16. Employee welfare	40,570														
17. Insurance	15,206														
18. Directors' compensation	4,564														
19. Directors' expenses	2,030														
20. Rent and other items	3,030														
21. Equipment	36,429														
22. Printing, stationery and supplies	4,516														
23. Postage and telephone	29,263														
24. Legal and auditing	16,458														
25. State insurance taxes															
<div style="display: flex; justify-content: space-between;"> <div style="text-align: right;">June 1</div> <div style="text-align: center;"> <table border="0"> <tr><td>March 1</td><td align="right">1,234</td></tr> <tr><td>August 15</td><td align="right">11,187</td></tr> <tr><td colspan="2"><hr/></td></tr> <tr><td>June 1</td><td align="right">11,187</td></tr> </table> </div> <div style="text-align: left;"> <table border="0"> <tr><td>August 15</td><td align="right">11,187</td></tr> <tr><td colspan="2"><hr/></td></tr> <tr><td></td><td align="right">23,608</td></tr> </table> </div> </div>	March 1	1,234	August 15	11,187	<hr/>		June 1	11,187	August 15	11,187	<hr/>			23,608	23,608
March 1	1,234														
August 15	11,187														
<hr/>															
June 1	11,187														
August 15	11,187														
<hr/>															
	23,608														
26. Insurance Division licenses and fees	450														
27. Payroll taxes	16,867														
28. All other taxes (excluding Federal income)															
29. Real estate expenses	5,278														
30. Real estate taxes	715														
31. Interest on borrowed money															
32. Miscellaneous															
a. Annual Meeting.....															
b. Donations/Contributions.....	500														
c. Travel and Travel Items.....	1,784														
d. Over and Short.....	477														
.															
.															
33. Automobile Expense															
34. Total operating expense (items 9 through 34)	\$ 814,077														

NON-OPERATING EXPENSE

35. Borrowed money repaid	
36. Depreciation on real estate	1,616
37. Loss on sale of investments	27,295
38. Federal income tax Prior year 14,509 Current year 19,464	33,973
39. Premium collections transmitted to other companies	169,779
40. Commissions paid agents for other companies	32,074
41. Decrease in ledger liabilities	
42. .	
43. Total non-operating expense (items 36 through 43)	\$ 264,737
44. Total disbursements (items 8, 35 and 44)	\$ 2,234,471
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 5,500,105

ASSETS - DECEMBER 31, 2022

	(1)	(2)	(3)	(4)	(5)
	Ledger Assets	Non-ledger	Non-admitted Assets including excess of book over market or amortized values	Current Year Net Admitted Assets (1+2-3=4)	Prior Year Net Admitted Assets
1. Bonds (schedule A-part 1)	\$ 3,601,194	\$	\$	3,601,194	\$ 3,434,569
2. Stocks (schedule A-part 2).	1,117,698	210,541		1,328,239	\$ 1,591,171
3. Bank Balances					
3.1 Check (C-1)	184,247			184,247	\$ 250,701
3.2 Interest Bearing (C-2)	566,099			566,099	\$ 521,685
4. Real estate (schedule F)	22,569			22,569	\$ 24,186
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1		298	298	xxxxxxx	xxxxxxx
6.2 Due after November 1		8,619		8,619	\$ 5,161
7. Reinsurance receivable on paid losses		55,500		55,500	\$ -
8. Accrued interest	xxxxxxx	24,135		24,135	\$ 24,856
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	2,721		2,721	xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. EDP	5,474		3,888	1,586	\$ 3,651
15. Reins Contingent Commission		17,124		17,124	\$ -
16. .					\$ -
17. Totals	\$ 5,500,103	\$ 316,217	\$ 6,907	\$ 5,809,413	\$ 5,856,080

LIABILITIES - DECEMBER 31, 2022

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 50,588		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	50,588		
4. Less: reinsurance recoverable on unpaid losses			
5. Net unpaid claims		\$ 50,588	\$ 139,462
6. Unpaid adjusting expenses		4,000	7,800
7. Ceded reinsurance balances payable		47,567	44,720
8. Unpaid salaries and commissions		58,559	58,938
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		4,758	3,878
12. Taxes payable:		616	814
Real Estate			
Federal Income			17,000
Premium		2,715	1,234
Other		1,394	1,202
13. Other unpaid expenses			54
14. Premiums collected for other companies - not remitted		13,398	12,045
15. Premiums received in advance		44,365	42,908
*16. Unearned premium reserve		966,000	858,000
17. Service Fees and Employee Benefits Payable		976	924
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,194,936	\$ 1,188,979
20. Surplus		\$ 4,614,477	\$ 4,667,101
21. Total liabilities and surplus		\$ 5,809,413	\$ 5,856,080

(line 21 must agree with line 22, column 4, page 4)

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2022	2021	2020	2019	2018
Gross Premium					
Fire	2,460,948	2,191,426	2,069,345	1,915,109	1,713,020
Windstorm	47,956	46,001	44,674	43,267	39,945
Other	-	-	-	-	-
Total Direct Premiums	2,508,904	2,237,427	2,114,019	1,958,376	1,752,965
Net Premiums Written					
Fire	2,460,948	2,191,426	2,069,345	1,915,109	1,713,020
Windstorm	47,956	46,001	44,674	43,267	39,945
Other	-	-	-	-	-
Total Direct Premiums	2,508,904	2,237,427	2,114,019	1,958,376	1,752,965
Total Net of Reinsurance	1,951,680	1,715,060	1,555,601	1,432,052	1,251,832
Gross Losses Paid					
Fire	755,930	476,032	507,623	361,291	287,347
Windstorm	533,142	560,692	281,331	212,188	315,132
Other	-	-	-	-	-
Total	1,289,072	1,036,724	788,954	573,479	602,479
Net Losses Paid					
Fire	755,930	476,032	507,623	361,291	287,347
Windstorm	533,142	560,692	281,331	212,188	315,132
Other	-	-	-	-	-
Total	1,289,072	1,036,724	788,954	573,479	602,479
Total Net of Reinsurance	1,155,657	897,293	749,226	571,766	473,259
Loss Percentage (Direct)					
Fire Losses/Fire Prem	30.7%	21.7%	24.5%	18.9%	16.8%
Windstorm Losses/Windstorm Prem	1111.7%	1218.9%	629.7%	490.4%	788.9%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	51.4%	46.3%	37.3%	29.3%	34.4%
Loss Percentage (Net)					
Fire Losses/Fire Prem	30.7%	21.7%	24.5%	18.9%	16.8%
Windstorm Losses/Windstorm Prem	1111.7%	1218.9%	629.7%	490.4%	788.9%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	51.4%	46.3%	37.3%	29.3%	34.4%
Net Losses/Net Premiums	59.2%	52.3%	48.2%	39.9%	37.8%
Balance Sheet Items					
Total Admitted Assets	5,809,413	5,856,080	5,324,268	5,004,329	4,389,379
Liabilities	1,194,936	1,188,979	1,071,822	1,135,650	919,494
Surplus	4,614,477	4,667,101	4,252,446	3,868,679	3,469,885
Bonds	3,601,194	3,434,569	3,329,854	3,295,747	2,738,153
Stocks	1,328,239	1,591,171	1,300,540	1,080,749	1,280,173
Real Estate	22,569	24,186	25,802	27,418	11,625
Unpaid Premium (line 8.1)	-	104	-	-	-
Unpaid Premium (line 8.2)	8,619	5,161	8,081	15,198	12,235
Unearned Premium	966,000	858,000	800,000	750,000	675,000
Balance Sheet Percentages					
Bonds/Admitted Assets	62%	59%	63%	66%	62%
Stocks/Admitted Assets	23%	27%	24%	22%	29%
Real Estate/Admitted Assets	0%	0%	0%	1%	0%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	2,387,627	2,135,097	1,901,269	1,956,269	1,569,571
Total Disbursements	2,234,471	1,812,647	1,724,180	1,413,361	1,285,146
Operating Expense	814,077	721,556	671,263	643,311	631,211
Commissions	387,289	315,905	297,183	294,897	240,892
Investment Income	217,399	193,776	159,107	355,740	170,150
Salaries (lines 14-17)	154,730	149,139	137,939	124,183	175,913
Other					
Gross Risk in Force	968,498,784	836,279,527	764,553,733	712,561,132	626,847,619
Number of Policies	2,269	2,176	2,115	2,051	1,927
Operating Expense/Net Premium	42%	42%	43%	45%	50%