

December 31, 2022 - Annual Statement

Iowa Company Number: 0106

Farmers Mutual Insurance Association

William Brandau
708 CHASE ST, PO BOX 148
OSAGE IA 50461

DECEMBER 31, 2022

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$ 6,151,973
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	\$ 1,080,858	\$	\$	\$ 1,080,858	
3. Windstorm	1,465,498			1,465,498	
4. Other					
5. Totals	\$ 2,546,356	\$	\$	\$ 2,546,356	
6. All reinsurance premiums ceded other than Per Risk				661,065	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$ 1,885,291
8. Interest received on bonds				98,334	
9. Increase in adjustment of bonds \$		905			
\$	19,707		decrease in adjustment of bonds	(18,802)	
10. Dividends received				411,793	
11. Interest received on bank deposits (schedule C-2, column 7)				4,555	
12. Other Interest					
13. Profit on sale of investment				129,609	
14. Rents received*				6,175	
15. Total income from investments (items 8 through 14)					\$ 631,664
16. Borrowed money					
17. Premiums collected for other companies (less refunds)				175,101	
18. Increase in ledger liabilities					
19. "Overwrite Fees" received					
20. Federal income tax refund					
21. Miscellaneous income				36,000	
22.					
23. Total (items 16 through 22)					\$ 211,101
24. Total income (items 7, 15, and 23)					\$ 2,728,056
25. Total assets and income (item 1 plus item 25)					\$ 8,880,029

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

DECEMBER 31, 2022

1. Amount brought forward from line 29 page 2

\$ 8,880,029

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.	\$ 565,023	\$	\$	\$ 565,023
3. Windstorm	2,674,810			2,674,810
4. Other (Sch G)				
5. Totals	\$ 3,239,833	\$	\$	\$ 3,239,833

6. All reinsurance losses ceded other than Per Risk Losses 1,609,274

7. Net losses (line 6, col.4 - line 7 = line 8) \$ 1,630,559

OPERATING EXPENSE

8. Loss Adjustment Expenses	51,884									
9. Commissions	323,750									
10. Advertising	19,403									
11. Boards, bureaus and associations	8,527									
12. Inspection and loss prevention	3,837									
13. Salaries of officers.	127,500									
14. Expenses of officers										
15. Salaries of office employees	159,550									
16. Employee welfare	48,112									
17. Insurance	23,652									
18. Directors' compensation	12,959									
19. Directors' expenses	100									
20. Rent and other items	6,175									
21. Equipment	43,944									
22. Printing, stationery and supplies	4,063									
23. Postage and telephone	31,379									
24. Legal and auditing	14,774									
25. State insurance taxes	<table border="0"> <tr> <td></td> <td align="center">March 1</td> <td></td> <td></td> </tr> <tr> <td>June 1</td> <td align="right">11,721</td> <td>August 15</td> <td align="right">12,057</td> </tr> </table>		March 1			June 1	11,721	August 15	12,057	23,778
	March 1									
June 1	11,721	August 15	12,057							
26. Insurance Division licenses and fees	496									
27. Payroll taxes	26,014									
28. All other taxes (excluding Federal income)	209									
29. Real estate expenses	8,882									
30. Real estate taxes	2,530									
31. Interest on borrowed money										
32. Miscellaneous	917									
a. Annual Meeting.....	8,705									
b. Donations/Contributions.....	3,436									
c. Travel and Travel Items.....	493									
d. Over and Short.....	413									
.										
.										
33. Automobile Expense										
34. Total operating expense (items 9 through 34)	\$ 955,482									

NON-OPERATING EXPENSE

35. Borrowed money repaid	
36. Depreciation on real estate	3,510
37. Loss on sale of investments	
38. Federal income tax Prior year _____ Current year _____	
39. Premium collections transmitted to other companies	141,315
40. Commissions paid agents for other companies	30,427
41. Decrease in ledger liabilities	
42. .	
43. Total non-operating expense (items 36 through 43)	\$ 175,252
44. Total disbursements (items 8, 35 and 44)	\$ 2,761,293
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 6,118,736

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)	\$ 3,180,521			3,180,521	\$ 3,101,548
2. Stocks (schedule A-part 2).	1,831,526	721,648		2,553,174	\$ 3,213,694
3. Bank Balances					
3.1 Check (C-1)	128,093			128,093	\$ 92,050
3.2 Interest Bearing (C-2)	841,307			841,307	\$ 1,166,650
4. Real estate (schedule F)	80,886		19,706	61,180	\$ 64,083
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	xxxxxxx
6.2 Due after November 1		23,856		23,856	\$ 2,895
7. Reinsurance receivable on paid losses		79,013		79,013	\$ -
8. Accrued interest	xxxxxxx	21,464		21,464	\$ 22,748
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	3,019		3,019	xxxxxxx	xxxxxxx
11. Automobiles	46,088		46,088	xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. EDP Equipment	6,492		1,070	5,422	\$ 5,640
15. .					\$ 27,830
16. .	708			708	\$ 544
17. Totals	\$ 6,118,740	\$ 845,981	\$ 69,883	\$ 6,894,838	\$ 7,697,782

LIABILITIES - DECEMBER 31, 2022

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 123,500		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	123,500		
4. Less: reinsurance recoverable on unpaid losses	37,000		
5. Net unpaid claims		\$ 86,500	\$ 863,500
6. Unpaid adjusting expenses		5,300	10,600
7. Ceded reinsurance balances payable		57,339	57,979
8. Unpaid salaries and commissions		2,830	931
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		3,297	3,250
12. Taxes payable: Real Estate		2,572	2,572
Federal Income			
Premium		1,350	-
Other		817	860
13. Other unpaid expenses		4,363	4,647
14. Premiums collected for other companies - not remitted		12,488	13,477
15. Premiums received in advance		52,133	44,098
*16. Unearned premium reserve		1,020,000	963,000
17. Service Fees and Employee Benefits Payable			13,485
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,248,989	\$ 1,978,399
20. Surplus		\$ 5,645,849	\$ 5,719,383
21. Total liabilities and surplus		\$ 6,894,838	\$ 7,697,782

(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	1,080,858	1,023,671	1,037,104	994,446	923,166
Windstorm	1,465,498	1,387,735	1,407,908	1,345,682	1,244,538
Other	-	-	-	-	-
Total Direct Premiums	2,546,356	2,411,406	2,445,012	2,340,128	2,167,704
Net Premiums Written					
Fire	1,080,858	1,023,671	1,037,104	994,446	923,166
Windstorm	1,465,498	1,387,735	1,407,908	1,345,682	1,244,538
Other	-	-	-	-	-
Total Direct Premiums	2,546,356	2,411,406	2,445,012	2,340,128	2,167,704
Total Net of Reinsurance	1,885,291	1,737,486	1,787,777	1,634,480	1,438,312
Gross Losses Paid					
Fire	565,023	591,299	330,935	731,297	393,866
Windstorm	2,674,810	83,257	83,347	77,588	280,120
Other	-	-	-	-	-
Total	3,239,833	674,556	414,282	808,885	673,986
Net Losses Paid					
Fire	565,023	548,702	330,935	731,297	393,866
Windstorm	2,674,810	40,660	83,347	77,588	280,120
Other	-	-	-	-	-
Total	3,239,833	589,362	414,282	808,885	673,986
Total Net of Reinsurance	1,630,559	589,362	414,282	668,167	662,233
Loss Percentage (Direct)					
Fire Losses/Fire Prem	52.3%	57.8%	31.9%	73.5%	42.7%
Windstorm Losses/Windstorm Prem	182.5%	6.0%	5.9%	5.8%	22.5%
Other Losses/"Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	127.2%	28.0%	16.9%	34.6%	31.1%
Loss Percentage (Net)					
Fire Losses/Fire Prem	52.3%	53.6%	31.9%	73.5%	42.7%
Windstorm Losses/Windstorm Prem	182.5%	2.9%	5.9%	5.8%	22.5%
Other Losses/"Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	127.2%	24.4%	16.9%	34.6%	31.1%
Net Losses/Net Premiums	86.5%	33.9%	23.2%	40.9%	46.0%
Balance Sheet Items					
Total Admitted Assets	6,894,838	7,697,781	7,003,331	6,006,269	5,222,132
Liabilities	1,248,989	1,978,398	1,288,408	1,206,110	1,123,958
Surplus	5,645,849	5,719,383	5,714,923	4,800,159	4,098,174
Bonds	3,180,521	3,101,548	2,848,039	2,903,835	2,864,797
Stocks	2,553,174	3,213,694	2,798,953	2,256,937	1,707,918
Real Estate	61,180	64,083	59,105	48,751	51,133
Unpaid Premium (line 8.1)	-	-	-	-	-
Unpaid Premium (line 8.2)	23,856	2,895	11,036	24,182	27,735
Unearned Premium	1,020,000	963,000	955,000	937,000	870,000
Balance Sheet Percentages					
Bonds/Admitted Assets	46%	40%	41%	48%	55%
Stocks/Admitted Assets	37%	42%	40%	38%	33%
Real Estate/Admitted Assets	1%	1%	1%	1%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	1%
Income/Disbursement Items					
Total Income	2,728,056	2,206,691	2,176,880	2,033,213	1,941,632
Total Disbursements	2,761,293	1,953,332	1,528,801	1,641,772	1,609,816
Operating Expense	955,482	931,808	854,137	840,571	751,597
Commissions	323,750	339,606	313,414	295,733	273,673
Investment Income	631,664	257,546	174,856	198,030	194,342
Salaries (lines 14-17)	335,162	323,032	299,084	288,346	252,638
Other					
Gross Risk in Force	720,154,769	663,160,796	635,396,838	602,626,544	582,904,770
Number of Policies	1,679	1,726	1,753	1,751	1,765
Operating Expense/Net Premium	51%	54%	48%	51%	52%