

December 31, 2022 - Annual Statement

Iowa Company Number: 0046

Farmers Mutual Insurance Association

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DECEMBER 31, 2022

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$ 5,369,277
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	\$ 1,912,398	\$	\$	\$ 1,912,398	
3. Windstorm	1,741,264			1,741,264	
4. Other					
5. Totals	\$ 3,653,662	\$	\$	\$ 3,653,662	
6. All reinsurance premiums ceded other than Per Risk				1,234,497	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$ 2,419,165
8. Interest received on bonds				139,838	
9. Increase in adjustment of bonds \$		8,673	, less		
\$	49,116	decrease in adjustment of bonds		(40,442)	
10. Dividends received				17,620	
11. Interest received on bank deposits (schedule C-2, column 7)				495	
12. Other Interest				577	
13. Profit on sale of investment				41,161	
14. Rents received*				24,000	
15. Total income from investments (items 8 through 14)					\$ 183,248
16. Borrowed money					
17. Premiums collected for other companies (less refunds)				318,493	
18. Increase in ledger liabilities					
19. "Overwrite Fees" received					
20. Federal income tax refund				48,000	
21. Miscellaneous income				18,025	
22.					
23. Total (items 16 through 22)					\$ 384,518
24. Total income (items 7, 15, and 23)					\$ 2,986,931
25. Total assets and income (item 1 plus item 25)					\$ 8,356,208

*Includes \$ 15,000 For association's occupancy of its own buildings

DECEMBER 31, 2022

1. Amount brought forward from line 29 page 2

\$ 8,356,208

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.	\$ 874,621	\$	\$	\$ 874,621
3. Windstorm	2,140,253			2,140,253
4. Other (Sch G)				
5. Totals	\$ 3,014,874	\$	\$	\$ 3,014,874

6. All reinsurance losses ceded other than Per Risk Losses 1,116,620

7. Net losses (line 6, col.4 - line 7 = line 8) \$ 1,898,254

OPERATING EXPENSE

8. Loss Adjustment Expenses	135,785									
9. Commissions	460,050									
10. Advertising	11,077									
11. Boards, bureaus and associations	14,142									
12. Inspection and loss prevention	19,200									
13. Salaries of officers.	93,000									
14. Expenses of officers	704									
15. Salaries of office employees	94,860									
16. Employee welfare	13,763									
17. Insurance	15,996									
18. Directors' compensation	12,800									
19. Directors' expenses										
20. Rent and other items	15,000									
21. Equipment	28,728									
22. Printing, stationery and supplies	340									
23. Postage and telephone	26,958									
24. Legal and auditing	12,290									
25. State insurance taxes	<table border="0" style="width:100%"> <tr> <td align="right">March 1</td> <td align="right">865</td> <td></td> </tr> <tr> <td align="right">June 1</td> <td align="right">18,251</td> <td align="right">August 15</td> </tr> <tr> <td></td> <td></td> <td align="right">18,251</td> </tr> </table>	March 1	865		June 1	18,251	August 15			18,251
March 1	865									
June 1	18,251	August 15								
		18,251								
26. Insurance Division licenses and fees	201									
27. Payroll taxes	22,169									
28. All other taxes (excluding Federal income)										
29. Real estate expenses	5,778									
30. Real estate taxes	1,875									
31. Interest on borrowed money										
32. Miscellaneous	476									
a. Annual Meeting.....	4,049									
b. Donations/Contributions.....	8,800									
c. Travel and Travel Items.....	6,045									
d. Over and Short.....	(1,503)									
.										
.										
33. Automobile Expense										
34. Total operating expense (items 9 through 34)	\$ 1,039,950									

NON-OPERATING EXPENSE

35. Borrowed money repaid	
36. Depreciation on real estate	316
37. Loss on sale of investments	12,930
38. Federal income tax Prior year _____ Current year _____	
39. Premium collections transmitted to other companies	254,795
40. Commissions paid agents for other companies	46,417
41. Decrease in ledger liabilities	29,860
42. Federal income tax penalty/interest	729
43. Total non-operating expense (items 36 through 43)	\$ 345,047
44. Total disbursements (items 8, 35 and 44)	\$ 3,283,251
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 5,072,957

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)	\$ 3,950,391	\$	\$	3,950,391	\$ 4,339,469
2. Stocks (schedule A-part 2).	832,358		31,627	800,731	\$ 744,203
3. Bank Balances					
3.1 Check (C-1)	193,611			193,611	\$ 209,006
3.2 Interest Bearing (C-2)	86,455			86,455	\$ 60,959
4. Real estate (schedule F)	7,559			7,559	\$ 7,875
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	xxxxxxx
6.2 Due after November 1		23,211		23,211	\$ 5,947
7. Reinsurance receivable on paid losses		35,066		35,066	\$ 54,044
8. Accrued interest	xxxxxxx	28,267		28,267	\$ 28,822
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					\$ 48,000
14. .					\$ -
15. .					\$ 55,400
16. Iowa Fair Plan	2,483		2,483		\$ 2,749
17. Totals	\$ 5,072,957	\$ 86,544	\$ 34,110	\$ 5,125,391	\$ 5,556,574

LIABILITIES - DECEMBER 31, 2022

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 608,900		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	608,900		
4. Less: reinsurance recoverable on unpaid losses	343,801		
5. Net unpaid claims		\$ 265,099	\$ 34,100
6. Unpaid adjusting expenses		14,800	66,546
7. Ceded reinsurance balances payable		106,481	98,759
8. Unpaid salaries and commissions		41,913	42,658
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others			
12. Taxes payable: Real Estate		1,875	1,862
Federal Income			
Premium		35	865
Other		193	182
13. Other unpaid expenses		2,471	3,034
14. Premiums collected for other companies - not remitted		19,812	18,176
15. Premiums received in advance		64,277	58,205
*16. Unearned premium reserve		1,441,000	1,420,954
17. Service Fees and Employee Benefits Payable		12,800	13,230
18. Miscellaneous Liabilities			3,287
19. Total liabilities		\$ 1,970,756	\$ 1,761,858
20. Surplus		\$ 3,154,635	\$ 3,794,716
21. Total liabilities and surplus		\$ 5,125,391	\$ 5,556,574

(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	1,912,398	1,904,820	1,869,126	1,875,139	1,822,309
Windstorm	1,741,264	1,745,269	1,702,032	1,703,560	1,648,729
Other	-	-	-	-	403,722
Total Direct Premiums	3,653,662	3,650,089	3,571,158	3,578,699	3,874,760
Net Premiums Written					
Fire	1,912,398	1,904,820	1,875,139	1,822,309	1,729,757
Windstorm	1,741,264	1,745,269	1,703,560	1,648,729	1,556,649
Other	-	-	(8,160)	100,196	101,349
Total Direct Premiums	3,653,662	3,650,089	3,570,539	3,571,234	3,387,755
Total Net of Reinsurance	2,419,165	2,467,858	2,414,514	2,245,267	2,451,728
Gross Losses Paid					
Fire	874,621	602,970	704,314	1,988,237	1,323,728
Windstorm	2,140,253	1,801,381	741,032	487,405	470,492
Other	-	-	-	-	190,024
Total	3,014,874	2,404,351	1,445,346	2,475,642	1,984,244
Net Losses Paid					
Fire	874,621	602,970	704,314	1,988,237	1,323,728
Windstorm	2,140,253	1,801,381	741,032	487,405	470,492
Other	-	-	-	-	-
Total	3,014,874	2,404,351	1,445,346	2,475,642	1,794,220
Total Net of Reinsurance	1,898,254	2,294,371	1,317,447	1,787,579	1,777,177
Loss Percentage (Direct)					
Fire Losses/Fire Prem	45.7%	31.7%	37.7%	106.0%	72.6%
Windstorm Losses/Windstorm Prem	122.9%	103.2%	43.5%	28.6%	28.5%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	47.1%
Total Losses/Total Prem	82.5%	65.9%	40.5%	69.2%	51.2%
Loss Percentage (Net)					
Fire Losses/Fire Prem	45.7%	31.7%	37.6%	109.1%	76.5%
Windstorm Losses/Windstorm Prem	122.9%	103.2%	43.5%	29.6%	30.2%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	82.5%	65.9%	40.5%	69.3%	53.0%
Net Losses/Net Premiums	78.5%	93.0%	54.6%	79.6%	72.5%
Balance Sheet Items					
Total Admitted Assets	5,125,391	5,556,574	6,092,308	5,794,184	6,003,239
Liabilities	1,970,756	1,761,858	1,946,505	1,989,690	2,101,871
Surplus	3,154,635	3,794,716	4,145,803	3,804,494	3,901,368
Bonds	3,950,391	4,339,469	4,794,746	4,445,680	4,735,611
Stocks	800,731	744,203	71,816	18,828	17,294
Real Estate	7,559	7,875	8,191	8,500	8,821
Unpaid Premium (line 8.1)	-	-	-	-	-
Unpaid Premium (line 8.2)	23,211	5,947	32,024	30,409	41,286
Unearned Premium	1,441,000	1,420,954	1,396,032	1,396,264	1,358,852
Balance Sheet Percentages					
Bonds/Admitted Assets	77%	78%	79%	77%	79%
Stocks/Admitted Assets	16%	13%	1%	0%	0%
Real Estate/Admitted Assets	0%	0%	0%	0%	0%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	1%	1%	1%
Income/Disbursement Items					
Total Income	2,986,931	2,792,728	2,641,520	2,558,034	2,722,288
Total Disbursements	3,283,251	3,343,149	2,318,749	2,792,687	2,759,038
Operating Expense	1,039,950	972,693	925,379	958,775	869,236
Commissions	460,050	446,390	434,064	441,673	493,607
Investment Income	183,248	191,644	170,002	188,442	192,870
Salaries (lines 14-17)	202,327	210,482	198,282	153,659	125,384
Other					
Gross Risk in Force	1,067,350,077	1,007,497,878	979,209,884	972,131,010	964,574,118
Number of Policies	2,201	2,282	2,382	2,412	2,582
Operating Expense/Net Premium	43%	39%	38%	43%	35%