

December 31, 2022 - Annual Statement

Iowa Company Number: 0113

Farmers Mutual Insurance Association

Scott Gaarder
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SIBLEY IA 51249

DECEMBER 31, 2022

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$	5,404,910
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	\$ 1,391,249	\$	\$	\$ 1,391,249		
3. Windstorm	1,142,243			1,142,243		
4. Other						
5. Totals	\$ 2,533,492	\$	\$	\$ 2,533,492		
6. All reinsurance premiums ceded other than Per Risk				998,226		
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$	1,535,266
8. Interest received on bonds				124,054		
9. Increase in adjustment of bonds \$		24,079	, less			
\$	11,757	decrease in adjustment of bonds		12,322		
10. Dividends received				595		
11. Interest received on bank deposits (schedule C-2, column 7)				1,369		
12. Other Interest						
13. Profit on sale of investment				1,463		
14. Rents received*				6,900		
15. Total income from investments (items 8 through 14)					\$	146,703
16. Borrowed money						
17. Premiums collected for other companies (less refunds)				177,337		
18. Increase in ledger liabilities						
19. "Overwrite Fees" received						
20. Federal income tax refund						
21. Miscellaneous income						
22.						
23. Total (items 16 through 22)					\$	177,337
24. Total income (items 7, 15, and 23)					\$	1,859,306
25. Total assets and income (item 1 plus item 25)					\$	7,264,216

*Includes \$ 5,400 For association's occupancy of its own buildings

DECEMBER 31, 2022

1. Amount brought forward from line 29 page 2

\$ 7,264,216

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.	\$ 955,666	\$	\$ 192,655	\$ 763,011
3. Windstorm	1,208,356		173,808	1,034,548
4. Other (Sch G)				
5. Totals	\$ 2,164,022	\$	\$ 366,463	\$ 1,797,559

6. All reinsurance losses ceded other than Per Risk Losses 293,575

7. Net losses (line 6, col.4 - line 7 = line 8) \$ 1,503,984

OPERATING EXPENSE

8. Loss Adjustment Expenses	116,754										
9. Commissions	288,421										
10. Advertising	50,117										
11. Boards, bureaus and associations	8,732										
12. Inspection and loss prevention	12,171										
13. Salaries of officers.	63,643										
14. Expenses of officers											
15. Salaries of office employees	81,504										
16. Employee welfare	39,760										
17. Insurance	10,833										
18. Directors' compensation	4,250										
19. Directors' expenses	371										
20. Rent and other items	8,308										
21. Equipment	19,827										
22. Printing, stationery and supplies	16,037										
23. Postage and telephone	10,293										
24. Legal and auditing	15,580										
25. State insurance taxes	<table border="0" style="width:100%"> <tr> <td align="right">March 1</td> <td align="right">986</td> <td></td> </tr> <tr> <td>June 1</td> <td align="right">12,729</td> <td>August 15</td> </tr> <tr> <td></td> <td></td> <td align="right">12,729</td> </tr> </table>	March 1	986		June 1	12,729	August 15			12,729	26,444
March 1	986										
June 1	12,729	August 15									
		12,729									
26. Insurance Division licenses and fees	455										
27. Payroll taxes	11,842										
28. All other taxes (excluding Federal income)											
29. Real estate expenses	7,530										
30. Real estate taxes	1,765										
31. Interest on borrowed money											
32. Miscellaneous	215										
a. Annual Meeting.....	5,345										
b. Donations/Contributions.....	477										
c. Travel and Travel Items.....											
d. Over and Short.....	25										
.											
.											
33. Automobile Expense											
34. Total operating expense (items 9 through 34)	\$ 800,699										

NON-OPERATING EXPENSE

35. Borrowed money repaid		
36. Depreciation on real estate	3,359	
37. Loss on sale of investments	34	
38. Federal income tax Prior year	Current year	
39. Premium collections transmitted to other companies	141,857	
40. Commissions paid agents for other companies	22,413	
41. Decrease in ledger liabilities	4,035	
42. .		
43. Total non-operating expense (items 36 through 43)	\$ 171,698	
44. Total disbursements (items 8, 35 and 44)	\$ 2,476,381	
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 4,787,835	

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)	\$ 4,302,486	\$	\$	4,302,486	\$ 4,627,612
2. Stocks (schedule A-part 2).	27,502	10,520		38,022	\$ 37,164
3. Bank Balances					
3.1 Check (C-1)	58,453			58,453	\$ 199,440
3.2 Interest Bearing (C-2)	326,257			326,257	\$ 471,943
4. Real estate (schedule F)	66,570			66,570	\$ 69,929
5. Cash in office	50			50	\$ 50
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	xxxxxxx
6.2 Due after November 1		13,826		13,826	\$ 5,562
7. Reinsurance receivable on paid losses					\$ -
8. Accrued interest	xxxxxxx	37,564		37,564	\$ 38,342
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	1,164		1,164	xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. Electronic data processing equip	5,350		5,350		\$ -
15. Reinsurance contingent comm		30,936		30,936	\$ 29,167
16. .					\$ -
17. Totals	\$ 4,787,832	\$ 92,846	\$ 6,514	\$ 4,874,164	\$ 5,479,209

LIABILITIES - DECEMBER 31, 2022

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 228,000		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	228,000		
4. Less: reinsurance recoverable on unpaid losses	228,000		
5. Net unpaid claims		\$	\$ 312,250
6. Unpaid adjusting expenses		13,600	15,100
7. Ceded reinsurance balances payable		85,948	81,137
8. Unpaid salaries and commissions		27,413	30,200
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		1,359	2,474
12. Taxes payable: Real Estate		1,832	1,698
Federal Income			
Premium		-	986
Other		1,190	1,228
13. Other unpaid expenses		8,444	6,880
14. Premiums collected for other companies - not remitted		10,477	10,152
15. Premiums received in advance		25,027	29,778
*16. Unearned premium reserve		1,019,000	1,018,000
17. Service Fees and Employee Benefits Payable		13,354	10,317
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,207,644	\$ 1,520,200
20. Surplus		\$ 3,666,520	\$ 3,959,009
21. Total liabilities and surplus		\$ 4,874,164	\$ 5,479,209

(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	1,391,249	1,395,659	1,346,745	1,332,446	1,252,313
Windstorm	1,142,243	1,150,116	1,100,391	1,088,823	1,022,346
Other	-	-	-	-	-
Total Direct Premiums	2,533,492	2,545,775	2,447,136	2,421,269	2,274,659
Net Premiums Written					
Fire	1,391,249	1,342,936	1,294,386	1,283,205	1,204,927
Windstorm	1,142,243	1,150,116	1,100,391	1,088,823	1,022,346
Other	-	-	-	-	-
Total Direct Premiums	2,533,492	2,493,052	2,394,777	2,372,028	2,227,273
Total Net of Reinsurance	1,535,266	1,601,027	1,483,190	1,398,358	1,151,043
Gross Losses Paid					
Fire	955,666	408,643	549,099	501,844	712,024
Windstorm	1,208,356	455,906	258,105	519,241	389,923
Other	-	-	-	-	-
Total	2,164,022	864,549	807,204	1,021,085	1,101,947
Net Losses Paid					
Fire	763,011	401,609	538,637	490,361	707,322
Windstorm	1,034,548	455,906	258,105	519,241	388,129
Other	-	-	-	-	-
Total	1,797,559	857,515	796,742	1,009,602	1,095,451
Total Net of Reinsurance	1,503,984	857,515	796,742	1,009,602	1,034,148
Loss Percentage (Direct)					
Fire Losses/Fire Prem	68.7%	29.3%	40.8%	37.7%	56.9%
Windstorm Losses/Windstorm Prem	105.8%	39.6%	23.5%	47.7%	38.1%
Other Losses/"Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	85.4%	34.0%	33.0%	42.2%	48.4%
Loss Percentage (Net)					
Fire Losses/Fire Prem	54.8%	29.9%	41.6%	38.2%	58.7%
Windstorm Losses/Windstorm Prem	90.6%	39.6%	23.5%	47.7%	38.0%
Other Losses/"Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	71.0%	34.4%	33.3%	42.6%	49.2%
Net Losses/Net Premiums	98.0%	53.6%	53.7%	72.2%	89.8%
Balance Sheet Items					
Total Admitted Assets	4,874,164	5,479,209	5,361,207	5,250,380	5,398,160
Liabilities	1,207,644	1,520,200	1,172,080	1,177,888	1,188,894
Surplus	3,666,520	3,959,009	4,189,127	4,072,492	4,209,266
Bonds	4,302,486	4,627,612	4,778,676	4,736,979	5,073,532
Stocks	38,022	37,164	141,388	142,215	44,399
Real Estate	66,570	69,929	73,765	78,079	82,393
Unpaid Premium (line 8.1)	-	-	163	57	-
Unpaid Premium (line 8.2)	13,826	5,562	6,298	4,473	10,967
Unearned Premium	1,019,000	1,018,000	982,000	964,000	911,000
Balance Sheet Percentages					
Bonds/Admitted Assets	88%	84%	89%	90%	94%
Stocks/Admitted Assets	1%	1%	3%	3%	1%
Real Estate/Admitted Assets	1%	1%	1%	1%	2%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	1,859,306	1,923,913	1,811,169	1,776,517	1,619,943
Total Disbursements	2,476,381	1,809,367	1,701,968	1,927,018	1,934,373
Operating Expense	800,699	783,415	738,374	738,549	719,077
Commissions	288,421	288,665	272,877	267,377	248,761
Investment Income	146,703	142,747	156,646	185,409	194,952
Salaries (lines 14-17)	184,907	173,965	171,606	160,148	177,280
Other					
Gross Risk in Force	789,237,198	757,704,001	682,178,956	662,550,745	631,310,021
Number of Policies	1,678	1,761	1,777	1,811	1,794
Operating Expense/Net Premium	52%	49%	50%	53%	62%