

December 31, 2022 Annual Statement

Farmers Mutual Insurance Association

Dan Dierks

PO BOX 59

TRAER IA 50675

Iowa Company Number: 0141

DECEMBER 31, 2022

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$	3,165,835
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	\$ 451,947	\$	\$	\$ 451,947		
3. Windstorm	422,783			422,783		
4. Other						
5. Totals	\$ 874,730	\$	\$	\$ 874,730		
6. All reinsurance premiums ceded other than Per Risk				430,568		
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$	444,162
8. Interest received on bonds				95,627		
9. Increase in adjustment of bonds \$		4,360	, less			
\$	20,211	decrease in adjustment of bonds		(15,851)		
10. Dividends received				7,198		
11. Interest received on bank deposits (schedule C-2, column 7)				1,349		
12. Other Interest						
13. Profit on sale of investment				19,562		
14. Rents received*				3,600		
15. Total income from investments (items 8 through 14)					\$	111,485
16. Borrowed money						
17. Premiums collected for other companies (less refunds)				38,131		
18. Increase in ledger liabilities						
19. "Overwrite Fees" received						
20. Federal income tax refund						
21. Miscellaneous income				130		
22.						
23. Total (items 16 through 22)					\$	38,261
24. Total income (items 7, 15, and 23)					\$	593,908
25. Total assets and income (item 1 plus item 25)					\$	3,759,743

*Includes \$ 2,400 For association's occupancy of its own buildings

DECEMBER 31, 2022

1. Amount brought forward from line 29 page 2

\$ 3,759,743

DISBURSEMENTS - DECREASES IN LEDGER ASSETS

	(1) Direct Losses	(2) Reinsurance Assumed	(3) Per Risk Reinsurance Losses Ceded	(4) Net Losses Paid (1 + 2 - 3 = 4)
2. Fire.	\$ 90,757	\$	\$ 272,889	\$ (182,132)
3. Windstorm	728,254		272,889	455,365
4. Other (Sch G)				
5. Totals	\$ 819,011	\$	\$ 545,778	\$ 273,233

6. All reinsurance losses ceded other than Per Risk Losses 454,663

7. Net losses (line 6, col.4 - line 7 = line 8) \$ (181,430)

OPERATING EXPENSE

8. Loss Adjustment Expenses	19,189
9. Commissions	122,312
10. Advertising	2,452
11. Boards, bureaus and associations	6,278
12. Inspection and loss prevention	
13. Salaries of officers.	42,200
14. Expenses of officers	
15. Salaries of office employees	84,085
16. Employee welfare	180
17. Insurance	14,669
18. Directors' compensation	3,120
19. Directors' expenses	
20. Rent and other items	2,706
21. Equipment	10,578
22. Printing, stationery and supplies	1,571
23. Postage and telephone	23,529
24. Legal and auditing	9,000
25. State insurance taxes	
<div style="display: flex; justify-content: space-between;"> March 1 _____ August 15 _____ </div> <div style="display: flex; justify-content: space-between;"> June 1 _____ 4,251 4,436 </div>	8,687
26. Insurance Division licenses and fees	600
27. Payroll taxes	8,780
28. All other taxes (excluding Federal income)	148
29. Real estate expenses	5,276
30. Real estate taxes	1,014
31. Interest on borrowed money	
32. Miscellaneous	65
a. Annual Meeting.....	284
b. Donations/Contributions.....	278
c. Travel and Travel Items.....	
d. Over and Short.....	2,558
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33. Automobile Expense	
34. Total operating expense (items 9 through 34)	\$ 369,559

NON-OPERATING EXPENSE

35. Borrowed money repaid	
36. Depreciation on real estate	317
37. Loss on sale of investments	1,993
38. Federal income tax Prior year _____ Current year _____	7,419
39. Premium collections transmitted to other companies	30,494
40. Commissions paid agents for other companies	5,718
41. Decrease in ledger liabilities	2,488
42. .	
43. Total non-operating expense (items 36 through 43)	\$ 48,429
44. Total disbursements (items 8, 35 and 44)	\$ 236,558
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 3,523,185

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)	\$ 2,761,303	\$	\$	2,761,303	\$ 2,673,711
2. Stocks (schedule A-part 2).	290,810	51,078		341,888	\$ 357,140
3. Bank Balances					
3.1 Check (C-1)	(3,497)			(3,497)	\$ (121,023)
3.2 Interest Bearing (C-2)	461,097			461,097	\$ 332,156
4. Real estate (schedule F)	10,982			10,982	\$ 11,298
5. Cash in office					\$ -
6. Unpaid Premiums					
6.1 Due before November 1				xxxxxxx	xxxxxxx
6.2 Due after November 1		10,263		10,263	\$ 9,652
7. Reinsurance receivable on paid losses					\$ 382,812
8. Accrued interest	xxxxxxx	27,720		27,720	\$ 27,056
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					\$ -
14. Electronic data processing equipment	2,491			2,491	\$ 3,735
15. .					\$ -
16. .					\$ -
17. Totals	\$ 3,523,186	\$ 89,061	\$	\$ 3,612,247	\$ 3,676,537

LIABILITIES - DECEMBER 31, 2022

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 632,792		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	632,792		
4. Less: reinsurance recoverable on unpaid losses	589,042		
5. Net unpaid claims		\$ 43,750	\$ 115,000
6. Unpaid adjusting expenses		2,300	8,500
7. Ceded reinsurance balances payable		35,848	36,216
8. Unpaid salaries and commissions		7,670	12,850
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		2,970	1,048
12. Taxes payable: Real Estate		1,014	1,066
Federal Income		5,000	1,000
Premium		60	-
Other		1,025	-
13. Other unpaid expenses		786	306
14. Premiums collected for other companies - not remitted		2,502	2,749
15. Premiums received in advance		1,634	5,373
*16. Unearned premium reserve		349,000	351,000
17. Service Fees and Employee Benefits Payable			
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 453,559	\$ 535,108
20. Surplus		\$ 3,158,688	\$ 3,141,429
21. Total liabilities and surplus		\$ 3,612,247	\$ 3,676,537

(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	451,947	458,625	468,526	476,833	497,485
Windstorm	422,783	428,453	437,034	446,445	463,589
Other	-	-	-	-	-
Total Direct Premiums	874,730	887,078	905,560	923,278	961,074
Net Premiums Written					
Fire	451,947	454,520	464,333	472,618	492,933
Windstorm	422,783	428,453	437,034	446,445	463,589
Other	-	-	-	-	-
Total Direct Premiums	874,730	882,973	901,367	919,063	956,522
Total Net of Reinsurance	444,162	452,701	476,035	505,792	551,591
Gross Losses Paid					
Fire	90,757	115,044	192,164	283,493	278,084
Windstorm	728,254	1,521,927	4,482,362	69,038	136,486
Other	-	-	-	-	-
Total	819,011	1,636,971	4,674,526	352,531	414,570
Net Losses Paid					
Fire	(182,132)	115,044	192,164	283,493	278,084
Windstorm	455,365	1,521,927	4,482,362	69,038	136,486
Other	-	-	-	-	-
Total	273,233	1,636,971	4,674,526	352,531	414,570
Total Net of Reinsurance	(181,430)	584,173	476,131	242,621	305,031
Loss Percentage (Direct)					
Fire Losses/Fire Prem	20.1%	25.1%	41.0%	59.5%	55.9%
Windstorm Losses/Windstorm Prem	172.3%	355.2%	1025.6%	15.5%	29.4%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	93.6%	184.5%	516.2%	38.2%	43.1%
Loss Percentage (Net)					
Fire Losses/Fire Prem	-40.3%	25.3%	41.4%	60.0%	56.4%
Windstorm Losses/Windstorm Prem	107.7%	355.2%	1025.6%	15.5%	29.4%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	31.2%	185.4%	518.6%	38.4%	43.3%
Net Losses/Net Premiums	-40.8%	129.0%	100.0%	48.0%	55.3%
Balance Sheet Items					
Total Admitted Assets	3,612,247	3,676,537	3,689,654	3,934,034	3,949,005
Liabilities	453,559	535,108	419,382	456,972	452,821
Surplus	3,158,688	3,141,429	3,270,272	3,477,062	3,496,184
Bonds	2,761,303	2,673,711	2,624,575	2,619,833	2,771,136
Stocks	341,888	357,140	297,306	286,249	513,871
Real Estate	10,982	11,298	9,641	9,952	10,633
Unpaid Premium (line 8.1)	-	7,786	-	13,285	-
Unpaid Premium (line 8.2)	10,263	9,652	5,161	4,254	13,351
Unearned Premium	349,000	351,000	362,000	362,000	379,000
Balance Sheet Percentages					
Bonds/Admitted Assets	76%	73%	71%	67%	70%
Stocks/Admitted Assets	9%	10%	8%	7%	13%
Real Estate/Admitted Assets	0%	0%	0%	0%	0%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
Income/Disbursement Items					
Total Income	593,908	598,004	1,254,154	679,568	694,704
Total Disbursements	236,558	846,650	1,700,028	739,180	738,610
Operating Expense	369,559	208,287	539,305	368,058	359,523
Commissions	122,312	123,375	125,550	128,655	133,617
Investment Income	111,485	97,307	136,810	128,666	97,326
Salaries (lines 14-17)	126,465	127,023	129,570	122,714	118,616
Other					
Gross Risk in Force	191,259,981	201,710,871	206,609,323	212,955,439	221,585,317
Number of Policies	419	448	470	502	523
Operating Expense/Net Premium	83%	46%	113%	73%	65%