

December 31, 2023 - Annual Statement

Iowa Company Number: 0113

Farmers Mutual Insurance Association

Scott Gaarder
726 4TH AVE, PO BOX 273
SIBLEY IA 51249

DECEMBER 31, 2023

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4					\$ 4,787,832
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	\$ 1,496,332			\$ 1,496,332	
3. Windstorm	1,195,333			1,195,333	
4. Other					
5. Totals	\$ 2,691,665			\$ 2,691,665	
6. All reinsurance premiums ceded other than Per Risk				1,048,047	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$ 1,643,618
8. Interest received on bonds				118,408	
9. Increase in adjustment of bonds \$		18,028			
\$	10,710				
decrease in adjustment of bonds				7,318	
10. Dividends received				1,494	
11. Interest received on bank deposits (schedule C-2, column 7)				5,951	
12. Other Interest					
13. Profit on sale of investment					
14. Rents received*				6,900	
15. Total income from investments (items 8 through 14)					\$ 140,070
16. Borrowed money					
17. Premiums collected for other companies (less refunds)				185,917	
18. Increase in ledger liabilities				2,163	
19. "Overwrite Fees" received					
20. Federal income tax refund					
21. Miscellaneous income					
22. Billing Fees					
23. Total (items 16 through 22)					\$ 188,080
24. Total income (items 7, 15, and 23)					\$ 1,971,768
25. Total assets and income (item 1 plus item 25)					\$ 6,759,600

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

DECEMBER 31, 2023

1. Amount brought forward from line 29 page 2

\$ 6,759,600

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.	\$ 664,080	\$	\$ 88,155	\$ 575,925
3. Windstorm	899,112		66,305	832,807
4. Other (Sch G)				
5. Totals	\$ 1,563,192	\$	\$ 154,460	\$ 1,408,732

6. All reinsurance losses ceded other than Per Risk Losses 307,279

7. Net losses (line 6, col.4 - line 7 = line 8) \$ 1,101,453

OPERATING EXPENSE

8. Loss Adjustment Expenses	114,648										
9. Commissions	306,869										
10. Advertising	53,260										
11. Boards, bureaus and associations	9,743										
12. Inspection and loss prevention	13,952										
13. Salaries of officers	60,129										
14. Expenses of officers											
15. Salaries of office employees	82,816										
16. Employee welfare	41,245										
17. Insurance	14,166										
18. Directors' compensation	3,375										
19. Directors' expenses	327										
20. Rent and other items	11,059										
21. Equipment	19,396										
22. Printing, stationery and supplies	13,881										
23. Postage and telephone	13,252										
24. Legal and auditing	15,230										
25. State insurance taxes	<table border="0" style="width:100%"> <tr> <td align="right">March 1</td> <td align="right">_____</td> <td></td> </tr> <tr> <td>June 1</td> <td align="right">12,545</td> <td>August 15</td> </tr> <tr> <td></td> <td align="right">_____</td> <td align="right">12,668</td> </tr> </table>	March 1	_____		June 1	12,545	August 15		_____	12,668	25,213
March 1	_____										
June 1	12,545	August 15									
	_____	12,668									
26. Insurance Division licenses and fees	632										
27. Payroll taxes	11,747										
28. All other taxes (excluding Federal income)	2,385										
29. Real estate expenses	8,108										
30. Real estate taxes	1,872										
31. Interest on borrowed money											
32. Miscellaneous	341										
a. Annual Meeting.....	6,395										
b. Donations/Contributions.....	724										
c. Travel and Travel Items.....											
d. Over and Short.....	(5)										
33. Automobile Expense											
34. Total operating expense (items 9 through 34)	\$ 830,760										

NON-OPERATING EXPENSE

35. Borrowed money repaid						
36. Depreciation on real estate	3,359					
37. Loss on sale of investments						
38. Federal income tax	<table border="0" style="width:100%"> <tr> <td>Prior year</td> <td>_____</td> <td>Current year</td> <td>_____</td> </tr> </table>	Prior year	_____	Current year	_____	
Prior year	_____	Current year	_____			
39. Premium collections transmitted to other companies	148,556					
40. Commissions paid agents for other companies	23,858					
41. Decrease in ledger liabilities						
42.						
43. Total non-operating expense (items 36 through 43)	\$ 175,773					
44. Total disbursements (items 8, 35 and 44)	\$ 2,107,986					
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4	\$ 4,651,614					

ASSETS - DECEMBER 31, 2023

	(1) Ledger Assets	(2) Non-ledger	(3) Non-admitted Assets including excess of book over market or amortized values	(4) Current Year Net Admitted Assets (1+2-3=4)	(5) Prior Year Net Admitted Assets
1. Bonds (schedule A-part 1)	\$ 4,459,579	\$	\$	4,459,579	\$ 4,302,486
2. Stocks (schedule A-part 2).	33,980	8,187		42,167	\$ 38,022
3. Bank Balances					
3.1 Check (C-1)	7,366			7,366	\$ 58,452
3.2 Interest Bearing (C-2)	74,866			74,866	\$ 326,257
4. Real estate (schedule F)	63,211			63,211	\$ 66,570
5. Cash in office	50			50	\$ 50
6. Unpaid Premiums					
6.1 Due before November 1		647	647	xxxxxxx	xxxxxxx
6.2 Due after November 1		4,566		4,566	\$ 13,826
7. Reinsurance receivable on paid losses					\$ -
8. Accrued interest	xxxxxxx	36,655		36,655	\$ 37,564
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	580		580	xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. Electronic data processing equip	11,983		10,700	1,283	\$ -
15. Reinsurance contingent comm					\$ 30,936
16.					\$ -
17. Totals	\$ 4,651,614	\$ 50,055	\$ 11,927	\$ 4,689,742	\$ 4,874,163

LIABILITIES - DECEMBER 31, 2023

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 429,144		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	429,144		
4. Less: reinsurance recoverable on unpaid losses	258,631		
5. Net unpaid claims		\$ 170,513	\$
6. Unpaid adjusting expenses		20,700	13,600
7. Ceded reinsurance balances payable		56,441	85,948
8. Unpaid salaries and commissions		27,505	27,413
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		2,283	1,359
12. Taxes payable: Real Estate		1,872	1,832
Federal Income			
Premium		1,581	-
Other		1,172	1,190
13. Other unpaid expenses		7,980	8,444
14. Premiums collected for other companies - not remitted		10,677	10,477
15. Premiums received in advance		38,663	25,027
*16. Unearned premium reserve		1,068,000	1,019,000
17. Service Fees and Employee Benefits Payable		14,982	13,354
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,422,369	\$ 1,207,644
20. Surplus		\$ 3,267,373	\$ 3,666,519
21. Total liabilities and surplus		\$ 4,689,742	\$ 4,874,163

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

*Method of calculation: 40% method.

HISTORICAL INFORMATION

	2023	2022	2021	2020	2019
<u>Gross Premium</u>					
Fire	1,496,332	1,391,249	1,395,659	1,346,745	1,332,446
Windstorm	1,195,333	1,142,243	1,150,116	1,100,391	1,088,823
Other	-	-	-	-	-
Total Direct Premiums	2,691,665	2,533,492	2,545,775	2,447,136	2,421,269
<u>Net Premiums Written</u>					
Fire	1,496,332	1,391,249	1,342,936	1,294,386	1,283,205
Windstorm	1,195,333	1,142,243	1,150,116	1,100,391	1,088,823
Other	-	-	-	-	-
Total Direct Premiums	2,691,665	2,533,492	2,493,052	2,394,777	2,372,028
Total Net of Reinsurance	1,643,618	1,535,266	1,601,027	1,483,190	1,398,358
<u>Gross Losses Paid</u>					
Fire	664,080	955,666	408,643	549,099	501,844
Windstorm	899,112	1,208,356	455,906	258,105	519,241
Other	-	-	-	-	-
Total	1,563,192	2,164,022	864,549	807,204	1,021,085
<u>Net Losses Paid</u>					
Fire	575,925	763,011	401,609	538,637	490,361
Windstorm	832,807	1,034,548	455,906	258,105	519,241
Other	-	-	-	-	-
Total	1,408,732	1,797,559	857,515	796,742	1,009,602
Total Net of Reinsurance	1,101,453	1,503,984	857,515	796,742	1,009,602
<u>Loss Percentage (Direct)</u>					
Fire Losses/Fire Prem	44.4%	68.7%	29.3%	40.8%	37.7%
Windstorm Losses/Windstorm Prem	75.2%	105.8%	39.6%	23.5%	47.7%
Other Losses"/"Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	58.1%	85.4%	34.0%	33.0%	42.2%
<u>Loss Percentage (Net)</u>					
Fire Losses/Fire Prem	38.5%	54.8%	29.9%	41.6%	38.2%
Windstorm Losses/Windstorm Prem	69.7%	90.6%	39.6%	23.5%	47.7%
Other Losses"/"Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	52.3%	71.0%	34.4%	33.3%	42.6%
Net Losses/Net Premiums	67.0%	98.0%	53.6%	53.7%	72.2%
<u>Balance Sheet Items</u>					
Total Admitted Assets	4,689,742	4,874,164	5,479,209	5,361,207	5,250,380
Liabilities	1,422,369	1,207,644	1,520,200	1,172,080	1,177,888
Surplus	3,267,373	3,666,520	3,959,009	4,189,127	4,072,492
Bonds	4,459,579	4,302,486	4,627,612	4,778,676	4,736,979
Stocks	42,167	38,022	37,164	141,388	142,215
Real Estate	63,211	66,570	69,929	73,765	78,079
Unpaid Premium (line 8.1)	-	-	-	163	57
Unpaid Premium (line 8.2)	4,566	13,826	5,562	6,298	4,473
Unearned Premium	1,068,000	1,019,000	1,018,000	982,000	964,000
<u>Balance Sheet Percentages</u>					
Bonds/Admitted Assets	95%	88%	84%	89%	90%
Stocks/Admitted Assets	1%	1%	1%	3%	3%
Real Estate/Admitted Assets	1%	1%	1%	1%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
<u>Income/Disbursement Items</u>					
Total Income	1,971,768	1,859,306	1,923,913	1,811,169	1,776,517
Total Disbursements	2,107,986	2,476,381	1,809,367	1,701,968	1,927,018
Operating Expense	830,760	800,699	783,415	738,374	738,549
Commissions	306,869	288,421	288,665	272,877	267,377
Investment Income	140,070	146,703	142,747	156,646	185,409
Salaries (lines 14-17)	184,190	184,907	173,965	171,606	160,148
<u>Other</u>					
Gross Risk in Force	863,245,966	789,237,198	757,704,001	682,178,956	662,550,745
Number of Policies	1,635	1,678	1,761	1,777	1,811
Operating Expense/Net Premium	51%	52%	49%	50%	53%