

**December 31, 2023 - Annual Statement**

*Iowa Company Number:* 0062

**Farmers Mutual Insurance Association**

Ann M. Langerman

PO BOX 246

FAYETTE            IA            52142

**DECEMBER 31, 2023**

1. Ledger Assets, December 31 of previous year, Total, column 1, page 4 .....					\$ 5,500,105
<b>INCOME - INCREASES IN LEDGER ASSETS</b>					
<b>PREMIUMS</b>					
	(1) Direct Premiums	(2) Reinsurance Premiums Assumed	(3) Per Risk Reinsurance Premiums Ceded	(4) Net Premiums (1 + 2 - 3 = 4)	
2. Fire	\$ 2,713,608			\$ 2,713,608	
3. Windstorm	46,597			46,597	
4. Other					
5. Totals	\$ 2,760,205			\$ 2,760,205	
6. All reinsurance premiums ceded other than Per Risk				721,111	
7. Total net premiums and fees (line 5, col. 4 - line 6 = line 8)					\$ 2,039,094
8. Interest received on bonds				112,929	
9. Increase in adjustment of bonds \$		6,019			
\$	5,889			129	
decrease in adjustment of bonds					
10. Dividends received				31,209	
11. Interest received on bank deposits (schedule C-2, column 7)				14,063	
12. Other Interest					
13. Profit on sale of investment				39,783	
14. Rents received*				3,000	
15. Total income from investments (items 8 through 14)					\$ 201,113
16. Borrowed money					
17. Premiums collected for other companies (less refunds)				239,481	
18. Increase in ledger liabilities				5,496	
19. "Overwrite Fees" received					
20. Federal income tax refund					
21. Miscellaneous income					
22. Billing Fees				13,576	
23. Total (items 16 through 22)					\$ 258,553
24. Total income (items 7, 15, and 23)					\$ 2,498,760
25. Total assets and income (item 1 plus item 25)					\$ 7,998,865

\*Includes \$ 3,000 For association's occupancy of its own buildings

**DECEMBER 31, 2023**

1. Amount brought forward from line 29 page 2

\$ 7,998,865

**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.	\$ 541,920	\$	\$	\$ 541,920
3. Windstorm	609,893			609,893
4. Other (Sch G)				
5. Totals	\$ 1,151,813	\$	\$	\$ 1,151,813

6. All reinsurance losses ceded other than Per Risk Losses

74,957

7. Net losses (line 6, col.4 - line 7 = line 8)

\$ 1,076,856

**OPERATING EXPENSE**

8. Loss Adjustment Expenses				47,008
9. Commissions				408,105
10. Advertising				5,883
11. Boards, bureaus and associations				10,849
12. Inspection and loss prevention				56,222
13. Salaries of officers.				71,061
14. Expenses of officers				
15. Salaries of office employees				40,812
16. Employee welfare				39,416
17. Insurance				18,410
18. Directors' compensation				5,345
19. Directors' expenses				1,481
20. Rent and other items				3,030
21. Equipment				38,739
22. Printing, stationery and supplies				5,314
23. Postage and telephone				29,576
24. Legal and auditing				15,316
25. State insurance taxes	March 1	2,715		
	June 1	12,545	August 15	12,545
				27,805
26. Insurance Division licenses and fees				440
27. Payroll taxes				15,689
28. All other taxes (excluding Federal income)				
29. Real estate expenses				7,898
30. Real estate taxes				656
31. Interest on borrowed money				
32. Miscellaneous				382
a. Annual Meeting.....				
b. Donations/Contributions.....				600
c. Travel and Travel Items.....				841
d. Over and Short.....				592
.				
.				
33. Automobile Expense				
34. Total operating expense (items 9 through 34)				\$ 851,470

**NON-OPERATING EXPENSE**

35. Borrowed money repaid				
36. Depreciation on real estate				1,616
37. Loss on sale of investments				44,719
38. Federal income tax Prior year	20,023	Current year	39,488	59,511
39. Premium collections transmitted to other companies				188,577
40. Commissions paid agents for other companies				35,359
41. Decrease in ledger liabilities				
42. .				
43. Total non-operating expense (items 36 through 43)				\$ 329,782
44. Total disbursements (items 8, 35 and 44)				\$ 2,258,108
45. Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4				\$ 5,740,757

## ASSETS - DECEMBER 31, 2023

	(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)	\$ 3,684,524	\$	\$	3,684,524	\$ 3,601,194
2. Stocks (schedule A-part 2).	1,172,255	388,838		1,561,093	\$ 1,328,239
3. Bank Balances					
3.1 Check (C-1)	142,071			142,071	\$ 184,247
3.2 Interest Bearing (C-2)	710,162			710,162	\$ 566,099
4. Real estate (schedule F)	20,953			20,953	\$ 22,570
5. Cash in office	100			100	\$ 100
6. Unpaid Premiums					
6.1 Due before November 1		79	79	xxxxxxx	xxxxxxx
6.2 Due after November 1		5,197		5,197	\$ 8,619
7. Reinsurance receivable on paid losses					\$ 55,500
8. Accrued interest	xxxxxxx	22,803		22,803	\$ 24,135
9. Accrued rent due	xxxxxxx				\$ -
10. Equipment and furniture	2,001		2,001	xxxxxxx	xxxxxxx
11. Automobiles				xxxxxxx	xxxxxxx
12. Cash surrender value of life ins.					\$ -
13. Federal income tax recoverable					\$ -
14. Electronic data processing equip	8,690		7,557	1,133	\$ 1,586
15. Service fees & Misc Rec					\$ 17,124
16. .					\$ -
17. Totals	\$ 5,740,756	\$ 416,917	\$ 9,637	\$ 6,148,035	\$ 5,809,413

**LIABILITIES - DECEMBER 31, 2023**

		Current Year	Prior Year
1. Unpaid claims (reported)	\$ 65,505		
2. Unpaid claims (incurred but not reported)			
3. Total unpaid losses	65,505		
4. Less: reinsurance recoverable on unpaid losses			
5. Net unpaid claims		\$ 65,505	\$ 50,588
6. Unpaid adjusting expenses		5,100	4,000
7. Ceded reinsurance balances payable		44,028	47,567
8. Unpaid salaries and commissions		74,085	58,559
9. Borrowed money			
10. Interest due on borrowed money			
11. Amounts withheld for the account of others		3,839	4,758
12. Taxes payable: Real Estate		696	616
Federal Income			
Premium		2,512	2,715
Other		1,582	1,394
13. Other unpaid expenses			
14. Premiums collected for other companies - not remitted		15,063	13,398
15. Premiums received in advance		69,165	44,365
*16. Unearned premium reserve		1,056,000	966,000
17. Service Fees and Employee Benefits Payable		976	976
18. Miscellaneous Liabilities			
19. Total liabilities		\$ 1,338,551	\$ 1,194,936
20. Surplus		\$ 4,809,484	\$ 4,614,477
21. Total liabilities and surplus		\$ 6,148,035	\$ 5,809,413

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

\*Method of calculation: 40% method.

## HISTORICAL INFORMATION

	2023	2022	2021	2020	2019
<b><u>Gross Premium</u></b>					
Fire	2,713,608	2,460,948	2,191,426	2,069,345	1,915,109
Windstorm	46,597	47,956	46,001	44,674	43,267
Other	-	-	-	-	-
Total Direct Premiums	2,760,205	2,508,904	2,237,427	2,114,019	1,958,376
<b><u>Net Premiums Written</u></b>					
Fire	2,713,608	2,460,948	2,191,426	2,069,345	1,915,109
Windstorm	46,597	47,956	46,001	44,674	43,267
Other	-	-	-	-	-
Total Direct Premiums	2,760,205	2,508,904	2,237,427	2,114,019	1,958,376
Total Net of Reinsurance	2,039,094	1,951,680	1,715,060	1,555,601	1,432,052
<b><u>Gross Losses Paid</u></b>					
Fire	541,920	755,930	476,032	507,623	361,291
Windstorm	609,893	533,142	560,692	281,331	212,188
Other	-	-	-	-	-
Total	1,151,813	1,289,072	1,036,724	788,954	573,479
<b><u>Net Losses Paid</u></b>					
Fire	541,920	755,930	476,032	507,623	361,291
Windstorm	609,893	533,142	560,692	281,331	212,188
Other	-	-	-	-	-
Total	1,151,813	1,289,072	1,036,724	788,954	573,479
Total Net of Reinsurance	1,076,856	1,155,657	897,293	749,226	571,766
<b><u>Loss Percentage (Direct)</u></b>					
Fire Losses/Fire Prem	20.0%	30.7%	21.7%	24.5%	18.9%
Windstorm Losses/Windstorm Prem	1308.9%	1111.7%	1218.9%	629.7%	490.4%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	41.7%	51.4%	46.3%	37.3%	29.3%
<b><u>Loss Percentage (Net)</u></b>					
Fire Losses/Fire Prem	20.0%	30.7%	21.7%	24.5%	18.9%
Windstorm Losses/Windstorm Prem	1308.9%	1111.7%	1218.9%	629.7%	490.4%
Other Losses"/Other Premiums	0.0%	0.0%	0.0%	0.0%	0.0%
Total Losses/Total Prem	41.7%	51.4%	46.3%	37.3%	29.3%
Net Losses/Net Premiums	52.8%	59.2%	52.3%	48.2%	39.9%
<b><u>Balance Sheet Items</u></b>					
Total Admitted Assets	6,148,035	5,809,414	5,856,080	5,324,268	5,004,329
Liabilities	1,338,551	1,194,935	1,188,979	1,071,822	1,135,650
Surplus	4,809,484	4,614,479	4,667,101	4,252,446	3,868,679
Bonds	3,684,524	3,601,194	3,434,569	3,329,854	3,295,747
Stocks	1,561,093	1,328,239	1,591,171	1,300,540	1,080,749
Real Estate	20,953	22,570	24,186	25,802	27,418
Unpaid Premium (line 8.1)	-	298	104	-	-
Unpaid Premium (line 8.2)	5,197	8,619	5,161	8,081	15,198
Unearned Premium	1,056,000	966,000	858,000	800,000	750,000
<b><u>Balance Sheet Percentages</u></b>					
Bonds/Admitted Assets	60%	62%	59%	63%	66%
Stocks/Admitted Assets	25%	23%	27%	24%	22%
Real Estate/Admitted Assets	0%	0%	0%	0%	1%
Unpaid Prem (line 8.2)/Admitted Assets	0%	0%	0%	0%	0%
<b><u>Income/Disbursement Items</u></b>					
Total Income	2,498,760	2,387,627	2,135,097	1,901,269	1,956,269
Total Disbursements	2,258,108	2,234,470	1,812,647	1,724,180	1,413,361
Operating Expense	851,470	814,076	721,556	671,263	643,311
Commissions	408,105	387,289	315,905	297,183	294,897
Investment Income	201,113	217,399	193,776	159,107	355,740
Salaries (lines 14-17)	151,289	154,730	149,139	137,939	124,183
<b><u>Other</u></b>					
Gross Risk in Force	1,071,594,844	968,498,784	836,279,527	764,553,733	712,561,132
Number of Policies	2,234	2,269	2,176	2,115	2,051
Operating Expense/Net Premium	42%	42%	42%	43%	45%