

## **December 31, 2025 - Annual Statement**

*Iowa Company Number:* 0106

### **Farmers Mutual Insurance Association**

William Brandau  
708 CHASE ST, PO BOX 148  
OSAGE            IA            50461

**December 31, 2025**

1.	Ledger Assets, December 31 of previous year, Total, column 1, page 4.....	7,029,005			
<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	\$1,994,158	\$0	\$0	\$1,994,158
3.	Windstorm	2,759,066	0	0	2,759,066
4.	Other	0	0	0	0
5.	Totals	\$4,753,224	\$0	\$0	\$4,753,224
6.	All reinsurance premiums ceded other than Per Risk				1,762,543
7.	Total net premiums and fees (line 5, col. 4 - line 6 = line 8)				\$2,990,681
8.	Interest received on bonds				122,427
9.	Increase in adjustment of bonds	\$ 17,777	\$ 2,591	, less decrease in adjustment of bonds	(15,185)
10.	Dividends received				238,656
11.	Interest received on bank deposits (schedule C-2, column 7)				51,747
12.	Other interest				0
13.	Profit on sale of investment				173,218
14.	Rents received*				6,175
15.	Total income from investments (items 8 through 14)				\$577,038
16.	Borrowed money				0
17.	Premiums collected for other companies (less refunds)				318,108
18.	Increase in ledger liabilities				0
19.	"Overwrite Fees" received				0
20.	Federal income tax refund				0
21.	Management Fee Income				36,000
22.	Billing Fees				0
23.	Total (items 16 through 22)				\$354,108
24.	Total income (items 7, 15, and 23)				\$3,921,827
25.	Total assets and income (item 1 plus item 25)				\$10,950,832

## December 31, 2025

1.	Amount brought forward from line 29, page 2		\$10,950,832	
<b>DISBURSEMENTS - DECREASES IN LEDGER ASSETS</b>				
	(1)	(2)	(3)	(4)
	Direct Losses	Reinsurance Assumed	Per Risk Reinsurance Losses Ceded	Net Losses Paid (1+2-3=4)
2.	\$829,409	\$0	\$0	\$829,409
3.	301,518	0	0	301,518
4.	0		0	
5.	<b>\$1,130,927</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,130,927</b>
6.	All reinsurance losses ceded other than Per Risk Losses			0
7.	Net losses (line 6, col. 4 - line 7 = line 8)			<b>\$1,130,927</b>
<b>OPERATING EXPENSE</b>				
8.	Loss Adjustment Expenses			29,171
9.	Commissions			662,046
10.	Advertising			23,320
11.	Boards, bureaus and associations			10,744
12.	Inspection and loss prevention			2,797
13.	Salaries of officers			143,471
14.	Expenses of officers			0
15.	Salaries of office employees			193,290
16.	Employee welfare			127,795
17.	Insurance			30,765
18.	Directors' compensation			19,176
19.	Directors' expenses			146
20.	Rent and rent items			6,175
21.	Equipment			147,047
22.	Printing, stationery and supplies			7,874
23.	Postage and telephone			51,246
24.	Legal and auditing			21,356
25.	State insurance taxes			
	March 1	9,997		
	June 1	19,962	August 15	19,962
				49,921
26.	Insurance Division licenses and fees			365
27.	Payroll taxes			30,306
28.	All other taxes (excluding Federal income)			0
29.	Real estate expenses			7,965
30.	Real estate taxes			3,776
31.	Interest on borrowed money			0
32.	Miscellaneous			0
	a. Annual meeting expense			12,487
	b. Donations			3,023
	c. Travel expenses			4,185
	d. Over and Short			1,647
	e. Agency expense reimbursement			0
33.	Automobile Expense			
34.	Total operating expense (items 9 through 34)			<b>\$1,590,094</b>
<b>NON-OPERATING EXPENSE</b>				
35.	Borrowed money repaid			0
36.	Depreciation on real estate			2,127
37.	Loss on sale of investments			5,382
38.	Federal income tax Prior year <u>0</u> Current year <u>0</u>			0
39.	Premium collections transmitted to other companies			254,658
40.	Commissions paid agents for other companies			54,150
41.	Decrease in ledger liabilities			0
42.				
43.	Total non-operating expense (items 36 through 43)			<b>\$316,317</b>
44.	Total disbursements (items 8, 35 and 44)			<b>\$3,037,338</b>
45.	Balance - ledger assets, December 31st must agree with Line 22, Column 1, Page 4			<b>\$7,913,495</b>

## ASSETS - DECEMBER 31, 2025

	(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)	\$3,374,578	\$0	0	\$3,374,578	\$3,521,799
2. Stocks (schedule A - part 2)	1,676,260	1,372,087	0	3,048,347	2,864,378
3. Bank Balances					
3.1 Check (C-1)	537,837	0	0	537,837	33,795
3.2 Interest Bearing (C-2)	2,181,978	0	0	2,181,978	1,658,035
4. Real estate (schedule F)	71,778	0	17,887	53,891	55,411
5. Cash in office	100	0	0	100	100
6. Unpaid Premiums					
6.1 Due before November 1	0	0	0	0	0
6.2 Due after November 1	0	17,061	0	17,061	11,439
7. Reinsurance receivable on paid losses	0	0	0	0	0
8. Accrued interest		26,366	0	26,366	28,937
9. Accrued rent due		0	0	0	0
10. Equipment and furniture	5,623	0	5,623	0	0
11. Automobiles	38,127	0	38,127	0	0
12. Cash surrender value of life ins	0	0	0	0	0
13. Federal income tax recoverable	0	0	0	0	0
14. Electronic data processing equipment	26,265	0	22,336	3,929	1,480
15. Contingency Receivable	0	0	0	0	0
16. Prepaid Reins & other assets	947	76,200	53,331	23,816	918
17. Totals	\$7,913,493	\$1,491,714	\$137,304	\$9,267,903	\$8,176,292

## LIABILITIES - DECEMBER 31, 2025

		Current Year	Prior Year
1.	Unpaid claims (reported)	\$54,406	
2.	Unpaid claims (incurred but not reported)	0	
3.	Total unpaid losses	54,406	
4.	Less: reinsurance recoverable on unpaid losses	0	
5.	Net unpaid claims	\$54,406	\$84,377
6.	Unpaid adjusting expenses	1,100	1,700
7.	Ceded reinsurance balances payable	0	26,658
8.	Unpaid salaries and commissions	10,970	1,109
9.	Borrowed money	0	0
10.	Interest due on borrowed money	0	0
11.	Amounts withheld for the account of others	5,958	4,422
12.	Taxes payable: Real Estate	3,876	3,676
	Federal Income	0	0
	Premium	5,232	9,997
	Other	2,008	1,224
13.	Other unpaid expenses	7,724	5,656
14.	Premiums collected for other companies - not remitted	22,507	21,191
15.	Premiums received in advance	44,877	56,749
*16.	Unearned premium reserve	1,902,000	1,623,000
17.	Service Fees and Employee Benefits Payable	34,378	0
18.	Miscellaneous Liabilities	0	0
19.	Total liabilities	\$2,095,036	\$1,839,759
20.	Surplus	\$7,172,867	\$6,336,533
21.	Total liabilities and surplus	\$9,267,903	\$8,176,292

(line 21 must agree with line 17, column 4, page 4)

\* Method of calculation: 40% Method

## HISTORICAL INFORMATION

	2025	2024	2023	2022	2021
<b><u>Gross Premium</u></b>					
Fire	1,994,158	1,719,707	1,262,068	1,080,858	1,023,671
Windstorm	2,759,066	2,375,004	1,730,388	1,465,498	1,387,735
Other	0	0	0	0	0
Total Direct Premiums	4,753,224	4,094,711	2,992,456	2,546,356	2,411,406
<b><u>Net Premiums Written</u></b>					
Fire	1,994,158	1,719,707	1,262,068	1,080,858	1,023,671
Windstorm	2,759,066	2,375,004	1,730,388	1,465,498	1,387,735
Other	0	0	0	0	0
Total Direct Premiums	4,753,224	4,094,711	2,992,456	2,546,356	2,411,406
Total Net of Reinsurance	2,990,681	1,782,361	2,035,081	1,885,291	1,737,486
<b><u>Gross Losses Paid</u></b>					
Fire	829,409	599,158	402,094	565,023	591,299
Windstorm	301,518	203,008	236,113	2,674,810	83,257
Other	0	0	0	0	0
Total	1,130,927	802,166	638,207	3,239,833	674,556
<b><u>Net Losses Paid</u></b>					
Fire	829,409	599,158	402,094	565,023	548,702
Windstorm	301,518	203,008	236,113	2,674,810	40,660
Other	0	0	0	0	0
Total	1,130,927	802,166	638,207	3,239,833	589,362
Total Net of Reinsurance	1,130,927	763,703	478,211	1,630,559	589,362
<b><u>Loss Percentage (Direct)</u></b>					
Fire Losses/Fire Prem	41.59%	34.84%	31.86%	52.28%	57.76%
Windstorm Losses/Windstorm Prem	10.93%	8.55%	13.65%	182.52%	6.00%
Other Losses/"Other Premiums	0.00%	0.00%	0.00%	0.00%	0.00%
Total Losses/Total Prem	23.79%	19.59%	21.33%	127.23%	27.97%
<b><u>Loss Percentage (Net)</u></b>					
Fire Losses/Fire Prem	41.59%	34.84%	31.86%	52.28%	53.60%
Windstorm Losses/Windstorm Prem	10.93%	8.55%	13.65%	182.52%	2.93%
Other Losses/"Other Premiums	0.00%	0.00%	0.00%	0.00%	0.00%
Total Losses/Total Prem	23.79%	19.59%	21.33%	127.23%	24.44%
Net Losses/Net Premiums	37.82%	42.85%	23.50%	86.49%	33.92%
<b><u>Balance Sheet Items</u></b>					
Total Admitted Assets	9,267,903	8,176,293	7,919,211	6,894,838	7,697,781
Liabilities	2,095,036	1,839,759	1,584,649	1,248,989	1,978,398
Surplus	7,172,867	6,336,534	6,334,562	5,645,849	5,719,383
Bonds	3,374,578	3,521,799	3,466,150	3,180,521	3,101,548
Stocks	3,048,347	2,864,378	2,736,009	2,553,174	3,213,694
Real Estate	53,891	55,412	58,276	61,180	64,083
Unpaid Premium (line 6.1)	0	0	0	0	0
Unpaid Premium (line 6.2)	17,061	11,439	10,506	23,856	2,895
Unearned Premium	1,902,000	1,623,000	1,195,000	1,020,000	963,000
<b><u>Balance Sheet Percentages</u></b>					
Bonds/Admitted Assets	36.41%	43.07%	43.77%	46.13%	40.29%
Stocks/Admitted Assets	32.89%	35.03%	34.55%	37.03%	41.75%
Real Estate/Admitted Assets	0.58%	0.68%	0.74%	0.89%	0.83%
Unpaid Prem (line 6.2)/Admitted Assets	0.18%	0.14%	0.13%	0.35%	0.04%
<b><u>Income/Disbursement Items</u></b>					
Total Income	3,921,827	2,689,100	2,603,392	2,728,056	2,206,691
Total Disbursements	3,037,338	2,631,147	1,751,082	2,761,293	1,953,332
Operating Expense	1,590,094	1,454,235	1,073,407	955,482	931,808
Commissions	662,046	571,508	380,804	323,750	339,606
Investment Income	577,038	591,389	249,667	631,664	257,546
Salaries (lines 14-17)	464,556	457,485	382,044	335,162	323,032
<b><u>Other</u></b>					
Gross Risk in Force	1,295,680,982	1,085,144,371	845,374,556	720,154,769	663,160,796
Number of Policies	2,123	1,970	1,720	1,679	1,726
Operating Expense/Net Premium	53.17%	81.59%	52.75%	50.68%	53.63%