

Elmdale Farmers Mutual Insurance, Inc.
Statements of Admitted Assets, Liabilities and
Policyholders' Surplus
As of December 31, 2015, 2014, and 2013

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Admitted Assets			
Cash and cash equivalents	\$ -	\$ 21,383	\$ 60,372
Savings	310,754	325,421	251,157
Government and corporate securities	5,227,936	5,025,404	4,577,157
NAMIC stock	1,500	1,500	1,500
Accrued interest receivable	60,677	58,296	55,733
Cash surrender value of life insurance	108,416	103,994	98,111
Premiums receivable	12,036	8,617	11,385
Reinsurance premium receivable	14,700	12,830	13,207
Contingency receivable	-	21,155	-
Accounts and other receivables	40,543	3,804	5,727
Refundable income and premium taxes	-	-	101,329
	<u>-</u>	<u>-</u>	<u>101,329</u>
Total admitted assets	<u>\$ 5,776,562</u>	<u>\$ 5,582,404</u>	<u>\$ 5,175,678</u>
Liabilities and Policyholders' Surplus			
Liabilities			
Checks written in excess of cash in bank	\$ 2,049	\$ -	\$ -
Accounts payable	5,149	3,384	1,787
Accrued payroll and related taxes	750	7,137	10,080
Unpaid losses	60,000	210,000	243,068
Income and premium taxes payable	32,468	109,824	4,904
Unearned premiums	724,580	692,914	685,398
Total liabilities	<u>824,996</u>	<u>1,023,259</u>	<u>945,237</u>
Policyholders' surplus	<u>4,951,566</u>	<u>4,559,145</u>	<u>4,230,441</u>
Total liabilities and policyholders' surplus	<u>\$ 5,776,562</u>	<u>\$ 5,582,404</u>	<u>\$ 5,175,678</u>

Elmdale Farmers Mutual Insurance, Inc.
Statements of Income
Years Ended December 31, 2015, 2014, and 2013

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Underwriting income			
Premium income	\$ 2,006,914	\$ 1,969,828	\$ 1,951,712
Reinsurance contingent commission	-	21,155	5,979
Less reinsurance expense	<u>(313,953)</u>	<u>(306,542)</u>	<u>(256,532)</u>
Net underwriting income	<u>1,692,961</u>	<u>1,684,441</u>	<u>1,701,159</u>
Expenses			
Losses incurred	921,235	976,760	1,468,900
Less reinsurance recoveries	(275,932)	(321,432)	(339,542)
Less salvage and subrogation	<u>(43,010)</u>	<u>(2,364)</u>	<u>(71,171)</u>
Net losses incurred	602,293	652,964	1,058,187
Operating expenses	<u>737,748</u>	<u>764,090</u>	<u>728,743</u>
Total expenses	<u>1,340,041</u>	<u>1,417,054</u>	<u>1,786,930</u>
Underwriting income (loss)	<u>352,920</u>	<u>267,387</u>	<u>(85,771)</u>
Investment income			
Investment income	174,544	168,433	193,494
Less investment expense	<u>(2,342)</u>	<u>(1,587)</u>	<u>(611)</u>
Net investment income	<u>172,202</u>	<u>166,846</u>	<u>192,883</u>
Other income (expense)			
Miscellaneous revenue	13,038	8,865	10,932
Loss on disposal of assets	<u>(56)</u>	<u>(1,632)</u>	<u>-</u>
Total other income (expense)	<u>12,982</u>	<u>7,233</u>	<u>10,932</u>
Net income before income taxes	538,104	441,466	118,044
Income taxes	<u>146,082</u>	<u>113,651</u>	<u>3,971</u>
Net income	<u>\$ 392,022</u>	<u>\$ 327,815</u>	<u>\$ 114,073</u>