# WISCONSIN MUTUAL INSURANCE COMPANY

**Statement of Financial Condition** 

**December 31, 2013** 

n 2013, Wisconsin Mutual Insurance Company surpassed the \$60 million mark in Policyholder Surplus. The record of \$60.3 million was an increase of 10.9%, resulting in average growth of 11.6% over the past 10 years. Direct Written Premiums reached \$68.6 million and total Admitted Assets \$122.8 million, both new highs. The Company posted Net Income before Federal Taxes of \$8,652,230 and a combined ratio of 90.9%, one of the best in the industry, as it maintained its excellent financial strength rating of A- from AM Best.

The combined ratio generated an underwriting profit of \$5.7 million, with \$2.4 million (86.4%) coming from the Homeowner lines of business and \$2.0 million (77.7%) from all other lines as 2013 saw the second successive moderate storm season in Wisconsin. The Automobile lines were again under 100% at 96.3% and generated \$1.4 million of the total profit. The growth in Surplus along with a 3.3% rise in Net Written Premiums improved the premiums to surplus ratio from 115 to 107, the best in over 40 years.

The Incurred Expense Ratio (loss expense and other operating expense) rose from 31.0% to 32.9%, as the Company paid out record Agent Contingent Commissions and Employee Profit Sharing along with a 78% rise in Fringe Benefits as pension and health insurance had non-reoccurring increases. This ratio is still one of the best in the industry. Expected premium growth and continued expense efficiencies in 2014 will keep this and other financial ratios strong in the future.

Wisconsin Mutual's achievements over the years would not have been possible without the significant contributions from our dedicated employees and agents and as a result we have been pleased to reward these contributions with \$5.6 million in employee profit sharing over the past 23 years and \$9.6 million in agent contingent commissions over the past 25 years. We look forward to many more years of shared success.

With sound underwriting, investment and claims practices, adequate reinsurance and efficient use of technology along with the continued contributions of our employees and agents, future growth and profits will remain strong. Wisconsin Mutual's ability to control costs and provide exceptional policyholder service with competitively priced products keeps us in a solid industry leadership role in Wisconsin, today and tomorrow.

Daniel A. Keyes

President

	2013	2012
<u>ASSET</u>		
Bonds(Amortized)	\$106,012,180	\$96,831,398
Stocks(Market)	2,236,049	1,451,580
Real Estate & Mortgages on Real Estate	1,473,273	1,553,253
Cash, Bank Dep & Other Invested Assets	3,227,738	5,066,230
Reinsurance Recoverable	141,031	68,020
Accrued Interest & Dividends	763,866	566,465
Tax Receivable(Incl Deferred Tax Asset)	2,443,143	2,632,633
Premiums Receivable	6,572,491	6,069,131
Other Assets	29,663	8,897
Total Assets	\$122,834,707	\$114,247,607
RESERVES AND LIABILITIES		
Reserves for Unpaid Claims	\$27,522,054	\$27,672,414
Reserves for Loss Adjusting Expenses	5,766,838	5,270,902
Other Accrued Expenses	731,155	421,564
Accrued Taxes, Licenses and Fees	763,866	762,627
Reserves for Unearned Premiums	23,264,798	21,871,036
Ceded Reinsurance Balances Payable	501,101	436,820
Advance Premiums	930,799	754,353
Commissions Payable & Contingent	2,684,655	2,505,951
Other Liabilities	345,642	147,043
Total Reserves and Liabilities	\$62,510,908	\$59,842,710
SURPLUS TO POLICYHOLDERS		
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Unassigned Surplus Funds	\$60,323,799	\$54,404,897
Total Surplus, Reserves and Liabilities	\$122,834,707	\$114,247,607
PREMIUMS, LOSSES, OTHER INCOME		
Direct Premiums Written	\$68,607,134	\$66,651,419
Losses Incurred	36,754,575	37,991,896
Underwriting Gain/(Loss)	5,743,429	4,877,795
Net Investment Income	2,502,247	2,579,533
Operating Income Before Federal Taxes	8,652,230	7,842,599
Increase to Surplus (Decrease)	5,918,898	5,519,868
Combined Ratio	90.9%	92.1%

# **Officers**

Daniel A. Keyes President
Anthony J. Skubal VP/Treasurer
Holly M. Casavant Secretary

# **Board Of Directors**

Dick B. Johnson
Daniel A. Keyes, Chmn.
Donald E. MacLeish
Doreen A. Mickelson
Clarence A. Ready
Bruce J. Roberts
Francis P. Schaecher
Anthony J. Skubal
Arthur A. Stauffacher

## **Lines Of Business**

PRIVATE PASSENGER AUTOMOBILE COMMERCIAL AUTOMOBILE HOMEOWNERS MOBILE HOMEOWNERS BUSINESSOWNERS ARTISANS

## **FARMOWNERS**

#### **Serviced At**

Coon Valley Office 116 Central Avenue Coon Valley, WI 54623 (608) 452-3275 & (800) 814-9219 (608)452-3002

farmchanges@wiins.com

#### **CLAIMS OFFICES**

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#### **CHIPPEWA FALLS**

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#### **CENTRAL WISCONSIN**

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#### **FOX RIVER VALLEY**

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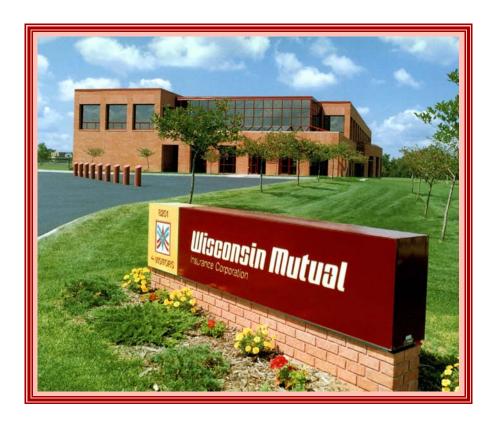
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# Our 111th Annual Report

For the Year Ended December 31, 2013



www.wiins.com

A Non-Assessable Mutual Company Organized in 1903 Click Here For Company History