

10281

FIRE ASSOCIATIONS

**ANNUAL STATEMENT**

For the Year Ended December 31, 2002

**OF THE CONDITION AND AFFAIRS OF THE**

Marion Mutual Insurance Association of Mercer County

(Write here the full corporate name of the Association)

Located at Marion Stein, Mercer County

**IN THE STATE OF OHIO**

TO THE

**SUPERINTENDENT OF INSURANCE OF THE STATE OF OHIO**

AS REQUIRED BY LAW

Incorporated February 1881 Commenced Business July 1881

President Nicholas V. Meier Postoffice 1125 Homan Road, Marion Stein, OH  
45860

Secretary Randall K. Dammeyer Postoffice 8350 Ste. Rte. 219, Celina, OH  
45822

Principal Office of the Association 6420 State Route 119 (Cassella) Marion Stein, OH 45860

Main Administrative Office (419) 925-4567  
(Area Code) (Telephone Number)

**DIRECTORS OR TRUSTEES**

Nicholas V. Meier 2005 Alan Diller 2004

John Schwieterman 2005 Dale Goettmoeller 2004

Patrick Buschur 2003 Urban Mescher 2004

Mark Will 2003

<b>BALANCE PREVIOUS YEAR</b>		
1.	*Amount of actual cash assets, December 31, of previous year .....	1,673,605.83
<b>I. INCOME DURING 20 <u>02</u></b>		
2.	Amount actually received during the year for assessments .....	742,479.72
2a.	Amount actually received during the year for delinquent assessments and fees .....	
3.	Amount actually received during the year for membership fees .....	
4.	Amount actually received during the year for policy fees .....	
5.	Amount actually received during the year for premiums .....	
6.	Total of items 2 to 5 (carried out) .....	742,479.72
7.	Received for interest .....	
8.	Borrowed money actually received during the year .....	
8a.	Vouchers, checks or warrants paid by banks or individuals and held at interest .....	
9.	Income received from all other sources, viz: <u>Reinsurance &amp; Salvage Recoveries</u> .....	48,787.64
	<u>Other Income</u> .....	70,112.10
10.	Aggregate amount of income actually received during the year in cash .....	861,379.46
11.	Total of last balance and income .....	2,534,985.29
<b>II. EXPENDITURES DURING 20 <u>02</u></b>		
12.	Amount actually paid for losses during the year .....	369,322.72
13.	Amount of cash paid or returned during the year to members who have discontinued their policies or who have overpaid .....	
14.	Paid for commisisions .....	
15.	Paid for salaries, fees, and all other charges of officers, clerks, agents and all other employees .....	
16.	Borrowed money actually repaid during the year .....	
16a.	Vouchers, checks or warrants paid by banks or individuals taken up .....	
17.	Interest on borrowed money .....	
17a.	Interest on vouchers, checks or warrants paid by banks or individuals .....	
18.	Printing, stationery and postage .....	
19.	Attorney fees .....	
20.	Rent .....	
21.	Insurance department fees .....	
22.	All other payments and expenditures, viz: <u>Reinsurance Expense</u> .....	138,584.89
	<u>Underwriting Expense</u> .....	305,496.85
23.	Aggregate of actual expenditures during the year in cash .....	813,404.46
24.	Balance .....	1,721,580.83
<p>*Line 1 must agree with line 34 of last year's statement.</p>		

III. ASSETS DECEMBER 31, 20 <u>02</u>	
25. Cash in bank (as per bank's record) .....	
26. Deduct outstanding checks .....	
27. Balance in bank (as per association's record) .....	
28. Cash in association's office .....	
29. Total cash in office and bank .....	225,293.00
30. Value of real estate owned by the association as specified in schedule A .....	97,026.48
31. Loans on mortgage, as specified in schedule B .....	
32. Loans on collateral security .....	
33. All other actual cash assets in possession, belonging to the association, viz.: Investment Portfolio - Cash Basis Balance Sheet .....	1,399,261.35
34. (a) Total actual cash assets of association as per balance (line 24), (total of items 25 to 33) .....	1,721,580.83
35. Interest due and accrued .....	14,680.41
36. Gross assessments and membership fees in course of collection not more than three months due .....	7,023.40
37. All other property belonging to the association, viz.: Office Equipment - \$8,188.00 Reinsurance Refund - \$31,634.55 .....	39,822.55
38. Aggregate amount of all the assets of the association .....	1,783,107.19
IV. LIABILITIES DECEMBER 31, 20 <u>02</u>	
39. Gross claims for adjusted and unpaid losses due and to become due .....	
40. Gross losses in process of adjustment, or in suspense, including all reported and supposed losses .....	
41. Losses resisted, including interest, costs, and other expenses thereon .....	
42. Total gross amount of claims for losses .....	34,536.31
43. Due and accrued for salaries, rent, advertising, and for agency and other miscellaneous expenses .....	6,618.99
44. **Due and to become due for borrowed money; vouchers, checks or warrants paid by banks or individuals .....	
45. Due and to become due for interest on borrowed money; vouchers, checks or warrants paid by banks or individuals .....	
46. Commissions, brokerage and other charges due and to become due to agents .....	
47. All other demands against the association, absolute and contingent, due and to become due, admitted and contested, viz.: Unearned Premium-\$20,032.66, Reinsurance Payable-\$6,906.00, Unrealized Investment Loss-\$43,158.79 .....	70,097.45
48. Total amount of all liabilities .....	111,252.75
49. †Net assets .....	1,671,854.44
50. ‡Excess of liabilities over assets .....	
51. ††Total gross assets .....	1,783,107.19

(a) Line 34 must agree with line 24.

\*\* Line 44 in last statement plus line 8 and 8a less line 16 and 16a of this statement.

† Line 49 is the difference between lines 38 and 48.

‡ Line 50 is the difference between lines 48 and 38.

†† Line 51 equals line 38.



MARION MUTUAL INSURANCE ASSOCIATION  
(See Compilation Report)  
Statements of Equities & Stock Funds - Cash Basis  
As Of

	MARCH 31, 2002	JUNE 30, 2002	SEPT. 30, 2002	DEC. 31 2002	%
Marion Mutual Ins Agcy, Stock	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	0.01%
NAMICO Stock	1,500.00	1,500.00	1,500.00	1,500.00	0.09%
DPL Incorporated	3,838.45	0.00	0.00	0.00	0.00%
Applebees International Inc	14,332.00	14,332.00	14,332.00	14,332.00	0.83%
Kohl's Corporation	4,900.98	4,900.98	4,900.98	4,900.98	0.28%
Health Management Assoc	9,884.00	9,884.00	9,884.00	9,884.00	0.57%
Healthsouth Corp	9,645.00	9,645.00	9,645.00	9,645.00	0.56%
Microsoft Corporation	11,300.00	11,300.00	11,300.00	11,300.00	0.66%
Exxon Mobil Corp	4,912.00	4,912.00	4,912.00	4,912.00	0.29%
Jacobs Engineering Group	12,890.00	12,890.00	12,890.00	12,890.00	0.75%
Cintas Corporation	14,949.00	14,949.00	14,949.00	14,949.00	0.87%
CSG Systems Inc	14,208.00	14,208.00	14,208.00	14,208.00	0.83%
Nisource Inc	740.00	740.00	740.00	740.00	0.04%
Morgan Stanley Dean Witter Co	0.00	10,890.00	10,890.00	10,890.00	0.63%
Tech Data Corp	0.00	14,091.00	14,091.00	14,091.00	0.82%
Reynolds & Reynolds Inc	2,932.00	2,932.00	2,932.00	2,932.00	0.17%
SBC Communications Inc	9,112.00	9,112.00	9,112.00	9,112.00	0.53%
JM Smucker Company	0.00	119.64	119.64	119.64	0.01%
Sun Microsystems Inc	2,259.00	2,259.00	2,259.00	2,259.00	0.13%
Merck & Company Inc	14,743.75	14,743.75	14,743.75	14,743.75	0.86%
Omnicom Group Incorporated	12,616.50	12,616.50	12,616.50	12,616.50	0.73%
Federal National Mortgage Asc	13,589.50	13,589.50	13,589.50	13,589.50	0.79%
Hewlett Packard	8,521.69	8,521.69	8,521.69	8,521.69	0.49%
Pepsico Incorporated	7,682.19	7,682.19	7,682.19	7,682.19	0.45%
Sigma Aldrich	9,993.75	9,993.75	9,993.75	9,993.75	0.58%
Intel Corporation	10,828.13	13,796.13	13,796.13	13,796.13	0.80%
Biomet Incorporated	10,279.17	6,827.78	6,827.78	6,827.78	0.40%
Newell Rubbermaid Inc	13,680.00	13,680.00	13,680.00	13,680.00	0.79%
Pitney Bowes Incorporated	13,071.62	13,071.62	13,071.62	13,071.62	0.76%
Sovereign Bancorp Inc	11,671.88	11,671.88	11,671.88	11,671.88	0.68%
American Power Conversion	20,218.75	20,218.75	20,218.75	20,218.75	1.17%
Worldcom Inc - Worldcom Group	16,843.28	16,843.28	16,843.28	16,843.28	0.98%
Computer Associates	21,962.50	0.00	0.00	0.00	0.00%
ConocoPhillips	16,657.50	16,657.50	16,620.70	16,620.70	0.97%
Waddell & Reed Finl Inc Cl A	14,574.38	14,574.38	14,574.38	14,574.38	0.85%
Gateway Inc	12,100.00	0.00	0.00	0.00	0.00%
Tyco International LTD	16,372.50	16,372.50	16,372.50	16,372.50	0.95%
Liz Claiborne Inc	10,654.00	10,654.00	10,654.00	10,654.00	0.62%
Cincinnati Financial Corp	16,244.00	16,244.00	16,244.00	16,244.00	0.94%
Medtronic Incorporated	12,660.00	12,660.00	12,660.00	12,660.00	0.74%
Procter & Gamble Company	15,280.00	15,160.36	15,160.36	15,160.36	0.88%
Janus Worldwide Fund	75,000.00	75,000.00	75,000.00	75,000.00	4.36%
<b>Total Equities &amp; Stock Funds</b>	<b>\$ 492,747.52</b>	<b>\$ 479,344.18</b>	<b>\$ 479,307.38</b>	<b>\$ 479,307.38</b>	<b>27.84%</b>

MARION MUTUAL INSURANCE ASSOCIATION  
(See Compilation Report)  
Statements of Assets - Cash Basis  
As Of

	MARCH 31, 2002	JUNE 30, 2002	SEPT. 30, 2002	DEC. 31 2002	%	
<b>CASH &amp; CASH EQUIVALENTS:</b>						
General checking account	\$ 206,920.41	\$ 181,370.02	\$ 172,102.84	\$ 225,293.00	13.09%	Line 29
Goldman Sachs Federal Fund	22,863.55	37,407.78	149,975.29	111,557.25	6.48%	
Trust cash fund	<u>29.00</u>	<u>30.00</u>	<u>25.50</u>	<u>0.00</u>	<u>0.00%</u>	
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 229,812.96</u>	<u>\$ 218,807.80</u>	<u>\$ 322,103.63</u>	<u>\$ 336,850.25</u>	<u>19.57%</u>	
<b>FIXED INCOME:</b>						
Freddie Mac	\$ 3,909.98	\$ 3,535.37	\$ 3,318.71	\$ 3,029.84	0.18%	
FHLMC 5.25%	101,660.00	101,660.00	101,660.00	101,660.00	5.91%	
American Gen. Fin. Corp 7.25%	75,831.75	75,831.75	75,831.75	75,831.75	4.40%	
Goldman Sachs Group Inc 6.65%	51,000.00	51,000.00	51,000.00	51,000.00	2.96%	
Fed Natl Mtg Assoc 5.00%	50,546.88	50,546.88	50,546.88	50,546.88	2.94%	
Proctor & Gamble Co. 4.3%	0.00	0.00	0.00	51,580.50	3.00%	
Household Finance Co. 7.25%	75,525.75	75,525.75	75,525.75	75,525.75	4.39%	
Flagstar Bank - 5.5% 09/23/02	49,911.00	49,911.00	0.00	0.00	0.00%	
Honeywell Inc. 7.0%	74,250.00	74,250.00	74,250.00	74,250.00	4.31%	
Lehman Brothers Inc. 7.125%	50,000.00	50,000.00	0.00	0.00	0.00%	
Merrill Lynch & Co. 7.0%	73,500.00	73,500.00	73,500.00	73,500.00	4.27%	
Lehman Bros. Holdings 6.625%	49,812.50	49,812.50	49,812.50	49,812.50	2.89%	
Ford Motor Credit 7.75%	51,074.50	51,074.50	51,074.50	51,074.50	2.97%	
Honeywell Intl Corp 5.125%	50,250.00	50,250.00	50,250.00	50,250.00	2.92%	
Bristol Myers Squibb Co 4.75%	50,335.00	50,335.00	50,335.00	50,335.00	2.92%	
GMAC Smart Notes - 5.45% 9/03	<u>50,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>	<u>2.90%</u>	
TOTAL FIXED INCOME	<u>\$ 857,607.36</u>	<u>\$ 857,232.75</u>	<u>\$ 757,105.09</u>	<u>\$ 808,396.72</u>	<u>46.96%</u>	
<b>EQUITIES:</b>						
TOTAL EQUITIES & STOCK FUNDS	<u>\$ 492,747.52</u>	<u>\$ 479,344.18</u>	<u>\$ 479,307.38</u>	<u>\$ 479,307.38</u>	<u>27.84%</u>	
<b>REAL ESTATE:</b>						
Land	\$ 3,090.48	\$ 3,090.48	\$ 3,090.48	\$ 3,090.48	0.18%	
Office building	4,897.00	4,897.00	4,897.00	4,408.00	0.26%	
Office building addition	<u>92,371.00</u>	<u>92,371.00</u>	<u>92,371.00</u>	<u>89,528.00</u>	<u>5.20%</u>	
TOTAL REAL ESTATE	<u>\$ 100,358.48</u>	<u>\$ 100,358.48</u>	<u>\$ 100,358.48</u>	<u>\$ 97,026.48</u>	<u>5.64%</u>	Line 30
TOTAL ASSETS - CASH BASIS	<u>\$ 1,680,526.32</u>	<u>\$ 1,655,743.21</u>	<u>\$ 1,658,874.58</u>	<u>\$ 1,721,580.83</u>	<u>100.00%</u>	
BEGINNING BALANCE - QUARTER	\$ 1,673,605.83	\$ 1,680,526.32	\$ 1,655,743.21	\$ 1,658,874.58		
TOTAL REVENUE FOR THE QUARTER	192,890.53	177,637.91	236,789.22	254,061.80		
TOTAL EXPENSES FOR THE QUARTER	<u>(185,970.04)</u>	<u>(202,421.02)</u>	<u>(233,657.85)</u>	<u>(191,355.55)</u>		
ENDING BALANCE - QUARTER	<u>\$ 1,680,526.32</u>	<u>\$ 1,655,743.21</u>	<u>\$ 1,658,874.58</u>	<u>\$ 1,721,580.83</u>		
INCREASE (DECREASE) FOR QUARTER	<u>\$ 6,920.49</u>	<u>\$ (24,783.11)</u>	<u>\$ 3,131.37</u>	<u>\$ 62,706.25</u>	<u>\$ 47,975.00</u>	

Investment Portfolio - Cash Basis Balance Sheet \$ 1,399,261.35 Line 33