

# ANNUAL STATEMENT

For the Year Ended

December 31, 2012

OF THE CONDITION AND AFFAIRS OF THE

## PIKE MUTUAL INSURANCE COMPANY

ORGANIZED UNDER THE LAWS OF THE STATE OF OHIO

Made to the

### INSURANCE COMMISSIONER OF THE STATE OF OHIO

Pursuant to the Laws thereof

NAIC Company Code 10268

Home Office 3873 CLEVELAND ROAD WOOSTER 44691 OH  
Street and Number City Zip Code

Mail Address 3873 CLEVELAND ROAD WOOSTER 44691 OH  
Street and Number City Zip Code

Main Administrative Office (330) 345-2005  
Telephone Number

Organized 02/12/1878 Commenced Business

Annual Statement Contact Person JAMES SILVER Telephone Number

Contact Person Email Address jim\_silver@wayneinsgroup.com

#### OFFICERS

President THOMAS ANDREWS Vice President

Secretary JAMES SILVER Treasurer

FRANK CHIURCO

JAMES SILVER

#### DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

FRANK CHIURCO DAVID TSCHANTZ KENNETH BROWN THOMAS ANDREWS  
LARRY STOFFER LOU DISTEFANO ROBERT WENTLING

State of Ohio  
County of  
WAYNE

THOMAS ANDREWS President and


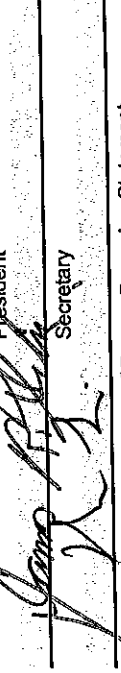
JAMES SILVER Secretary of the

PIKE MUTUAL INSURANCE COMPANY

above described officers of said reporting entity, and that on the reporting period stated above all the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, with the schedules and explanations herein contained, annexed or referred to, is a full and correct statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, according to the best of their information, knowledge and belief, respectively.

Subscribed and sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Notary Public

  
President  
  
Secretary

Signature of Person Preparing Statement

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY**

2012

**ASSETS**

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds (Schedule D - Part 1)	0.00	0.00	0.00	
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	537,880.66	0.00	537,880.66	493,329.34
3	Real estate (less liens, encumbrances) (Schedule A)	0.00	0.00	0.00	
4	Cash (Schedule E)	1,923,305.00	0.00	1,923,305.00	2,039,567.48
5	Short-term investments		0.00	0.00	
6	Aggregate write-ins for invested assets		0.00	0.00	
7	Subtotals, cash and invested assets	2,461,185.66	0.00	2,461,185.66	2,532,896.82
8	Investment income due and accrued	1,866.03	0.00	1,866.03	1,206.28
9.1	Assessments or premiums in the course of collection (including agents balances)	2,068.03	0.00	2,068.03	4,857.53
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due	188,634.00	0.00	188,634.00	181,051.00
9.3	Earned but unbilled premiums (post assessment)		0.00	0.00	
10.1	Amounts recoverable from reinsurers	23,980.93	0.00	23,980.93	15,047.96
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	
11.1	Current federal income tax recoverable and interest thereon	4,024.00	0.00	4,024.00	7,198.00
11.2	Net deferred tax asset		0.00	0.00	
12	Electronic data processing equipment and software		0.00	0.00	
13	Furniture and equipment		0.00	0.00	
14	Receivables from parent, subsidiaries and affiliates		0.00	0.00	
15	Aggregate write-ins for other than invested assets	0.00	0.00	0.00	0.00
16	Total Assets	2,681,758.65	0.00	2,681,758.65	2,742,257.59
	Details of Write-Ins for Assets:				
1501				0.00	
1502				0.00	
1503				0.00	
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00	0.00
1599	Total aggregate write-ins	0.00	0.00	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY**

2012

**LIABILITIES, SURPLUS AND OTHER FUNDS**

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	82,159.88	107,024.73
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	
3	Commissions due and payable to agents	46,352.40	45,789.49
4	Other expenses (excluding taxes, licenses and fees)	19,381.71	15,689.56
5	Taxes, licenses and fees (excluding federal income taxes)		
6	Current federal income taxes (including \$0 on realized capital gains (losses))		
7	Net deferred tax liability		
8	Borrowed money and interest thereon		
9	Unearned assessment/premium reserve	553,789.00	478,355.00
10	Advance premium		
11	Ceded reinsurance premiums payable	10,374.00	
12	Funds held by company under reinsurance treaties		
13	Amounts withheld or retained by company for account of others		
14	Provision for unauthorized reinsurance		
15	Payable to parent, subsidiaries and affiliates		
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	712,056.99	646,858.78
18	Surplus as regards policyholders	1,969,701.66	2,095,398.81
19	Total liabilities and surplus	2,681,758.65	2,742,257.59
	Details of Write-Ins for Liabilities:		
1601			
1602			
1603			
1698	Summary or remaining write-ins from overflow page	0.00	0.00
1699	Total aggregate write-ins	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY  
STATEMENT OF INCOME**

2012

	Current Year	Prior Year
<b>UNDERWRITING INCOME</b>		
1.1	963,646.24	837,114.70
1.2	34,866.12	32,888.90
1.3	928,780.12	804,225.80
1.4	193,462.00	167,633.00
1.5	0.00	
1.6	735,318.12	636,592.80
<b>DEDUCTIONS</b>		
2	456,329.87	291,529.46
3	15,281.43	24,551.72
4	473,389.94	401,936.89
5	0.00	0.00
6	945,001.24	718,018.07
7	-209,683.12	-81,425.27
<b>INVESTMENT INCOME</b>		
8	42,629.44	34,292.32
9	1,193.85	
10	43,823.29	34,292.32
<b>OTHER INCOME</b>		
11		
12	13,034.50	13,388.52
13	10,276.63	8,575.73
14	23,311.13	21,964.25
15	-142,548.70	-25,168.70
16	3,174.00	3,243.00
17	-145,722.70	-28,411.70
<b>SURPLUS ACCOUNT</b>		
18	2,095,398.81	2,135,058.80
19	-145,722.70	-28,411.70
20	20,025.55	-11,248.29
21		
22	0.00	
23		
24	0.00	0.00
25	-125,697.15	-39,659.99
26	1,969,701.66	2,095,398.81
<b>DETAILS OF WRITE-INS</b>		
0501		
0502		
0503		
0599	0.00	0.00
1301	1,709.35	1,680.03
1302	8,567.28	6,895.70
1303		
1304		
1399	10,276.63	8,575.73
2401		
2402		
2499	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY**

2012

**CASH FLOW STATEMENT**

	Current Year	Prior Year
<b>Cash from Operations</b>		
1	830,886.62	687,136.68
2	41,969.69	34,355.50
3	23,311.13	21,964.25
4	896,167.44	743,456.43
5	504,681.69	264,725.72
6	484,416.31	416,120.67
7		
8	989,098.00	680,846.39
9	-92,930.56	62,610.04
<b>Cash from Investments</b>		
10		
10.1		
10.2	31,576.57	
10.3		
10.4		
10.5		
10.6	31,576.57	0.00
11		
11.1		
11.2	54,908.49	405,444.59
11.3		
11.4		
11.5	54,908.49	405,444.59
11.6	-23,331.92	-405,444.59
<b>Cash from Financing and Miscellaneous Sources</b>		
12.1		
12.2		
13	0.00	0.00
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
14	-116,262.48	-342,834.55
15.1	2,039,567.48	2,382,402.03
15.2	1,923,305.00	2,039,567.48

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY**

2012

**EXPENSE EXHIBIT**

		Current Year
1.1	<b>Claim Adjusting:</b>	
	Direct	
1.2	Reinsurance assumed	0.00
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
1.4	Net claim adjusting	0.00
2.1	<b>Commission and Brokerage:</b>	167,274.69
	Direct commission and brokerage	
2.2	Reinsurance assumed excluding contingent	0.00
2.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
2.4	Contingent - direct (commission and brokerage)	0.00
2.5	Contingent - reinsurance assumed (commission and brokerage)	0.00
2.6	Contingent - reinsurance ceded (commission and brokerage)	0.00
2.7	Policy and membership fees (commission and brokerage)	0.00
2.8	Net commission and brokerage	167,274.69
3	Allowances to managers and agents	14,998.17
4	Advertising	1,775.97
5	Boards, bureaus and associations	9,845.00
6	Surveys and underwriting reports	4,841.96
7	Audit of assureds' records	0.00
8.1	<b>Salary and related items:</b>	0.00
	Salaries	
8.2	Payroll taxes	0.00
9	Employee relations and welfare	
10	Insurance	9,946.05
11	Directors' fees	21,399.98
12	Travel and travel items	1,252.58
13	Rent and rent items	0.00
14	Equipment	200.81
15	Cost or depreciation of EDP equipment and software	
16	Printing and stationery	11,349.68
17	Postage, telephone, exchange and express	4,085.70
18	Legal and auditing	14,590.38
19	Loss adjustment expenses	15,281.43
18	Investment expenses	0.00
19	Totals	109,567.71
	<b>Taxes, licenses and fees:</b>	
20.1	State and local insurance taxes	0.00
20.2	Insurance department licenses and fees	3,821.65
20.3	All other (excluding federal income and real estate)	250.00
20.4	Total taxes, licenses and fees	4,071.65
21	Real estate expenses	0.00
22	Real estate taxes	0.00
23	Aggregate write-ins for miscellaneous expenses	207,757.32
24	<b>Total expenses incurred (a)</b>	488,671.37
25	Less unpaid expenses - current year	65,734.11
26	Add unpaid expenses - prior year	61,479.05
27	Total expenses paid	484,416.31
	Details of Write-Ins:	
2301	MINE SUBSIDENCE PREMIUMS	1,554.00
2302	CLERICAL AND RENT	147,431.47
2303	PROPERTY INSPECTIONS	10,612.00
2304	MARKETING	48,000.00
2305	MISCELLANEOUS	159.85
2399	Total Write-ins	207,757.32

(a) Includes management fees of \$0 to affiliates and \$0 to non-affiliates

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY**

2012

**INSURANCE IN FORCE**

	Amount (dollars)	Number
1 In force December 31 of previous year (to equal prior year's statement)	261,058,380	1,774
2 Written during the year	94,773,825	439
3 Total	355,832,205	2,213
4 Deduct those expired and cancelled	37,636,635	244
5 In force December 31 of current year	318,195,570	1,969
6 Deduct amount reinsured	0	XXX
7 Net amount in force	318,195,570	XXX

**UNDERWRITING EXHIBIT - PART 2**  
**LOSSES INCURRED**

1	2	3	4	5	6
Lines of Business	Direct Losses Incurred	Losses Incurred on Reinsurance Assumed	Deduct: Reinsurance Recovered on Incurred Losses	Deduct: Salvage and Subrogation Converted To Cash	Net Losses Incurred Columns 2 and 3 minus Columns 4 and 5
PROPERTY	633,571.11		177,241.24		456,329.87
OVERFLOW AMOUNTS					
<b>Totals</b>	\$ 633,571.11	\$ -	\$ 177,241.24	\$ -	\$ 456,329.87

\* Total should equal Line 2, Page 4, Current Year.

**UNDERWRITING EXHIBIT - PART 2A**  
**UNPAID LOSSES and LOSS ADJUSTMENT EXPENSES**

1	2	3	4	5	6
Lines of Business	Direct Unpaid Losses	Unpaid Losses on Reinsurance Assumed	Deduct: Reinsurance Recoverable on Unpaid Losses	** Unpaid Loss Adjustment Expenses	*** Net Unpaid Losses Columns 2 and 3 minus Column 4
PROPERTY	59,026.84		6,866.96		52,159.88
INCURRED BUT NOT REPORTED	30,000.00				30,000.00
OVERFLOW AMOUNTS					
<b>Totals</b>	\$ 89,026.84	\$ -	\$ 6,866.96	\$ -	\$ 82,159.88

\*\* Total should equal Line 2, Page 3, Current Year.

\*\*\* Total should equal Line 1, Page 3, Current Year.

**ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY**

2012

**EXHIBIT OF NONADMITTED ASSETS**

	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1 Bonds			0.00
2 Preferred and common stocks and mutual funds			0.00
3 Real estate (less liens, encumbrances)			0.00
4 Cash			0.00
5 Short-term investments			0.00
6 Aggregate write-ins for invested assets			0.00
7 Subtotals, cash and invested assets	0.00	0.00	0.00
8 Investment income due and accrued Assessments or premiums in the course of collection (including agents balances)			0.00
9.1 Premium receivable for advance pay			0.00
9.2 Earned but unbilled premiums (post assessment)			0.00
9.3 Amounts recoverable from reinsurers			0.00
10.1 Funds held by or deposited with reinsured companies			0.00
10.2 Current federal income tax recoverable and interest thereon			0.00
11.1 Net deferred tax asset			0.00
12 Electronic data processing equipment and software			0.00
13 Furniture and equipment			0.00
14 Receivables from parent, subsidiaries and affiliates			0.00
15 Aggregate write-ins for other than invested assets	0.00	0.00	0.00
16 Total Assets	0.00	0.00	0.00
<b>Details of Write-Ins for Assets:</b>			
1501	0.00	0.00	0.00
1502	0.00	0.00	0.00
1503	0.00	0.00	0.00
1598 Summary or remaining write-ins from overflow page	0.00	0.00	0.00
1599 Total aggregate write-ins	0.00	0.00	0.00





SCHEDULE D - PART 2  
Showing all Preferred & Common Stocks and Mutual Funds Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Cusip #	Description and accurate description of all stocks and mutual funds owned.	From Whom Acquired	Acquired Date	No. of Shares	Par Value (Preferred Stocks)	Book Value	Market Value Obtain Used To Per Share Rate	Market Value/ Fair Value December 31 of Current Year	Actual Cost	Received During Year	Dividends and Accrued Dec. 31	Increase, by Adjustment, in Book Value During Year	Decrease, by Adjustment in Book Value During Year
19763T-87-1	COLUMBIA INFLATION PRO SEC	AMERIPRISE	VAR	3,782.24	39,562.24	39,562.24	10.46	41,765.04	3,936.38	426.42	2,202.80	168.19	
261918-60-1	DREFFUS SHORT INT MUNI BOND	AMERIPRISE	VAR	1,924.77	25,406.99	25,406.99	13.20	25,575.18	3,936.38	426.42	2,202.80	168.19	
261980-68-4	DREFFUS INTL BOND	AMERIPRISE	VAR	2,240.10	38,574.49	38,574.49	17.22	38,574.49	3,936.38	426.42	2,202.80	168.19	
26203F-10-6	DREFFUS STAND GLB FIX INC	AMERIPRISE	VAR	1,889.25	41,223.35	41,223.35	21.82	39,680.18	2,391.45	1,254.12	548.82	168.19	
27911-10-3	EATON GOVT OBLIGATIONS	AMERIPRISE	VAR	3,532.60	25,858.62	25,858.62	7.32	26,871.83	987.30	1,254.12	548.82	168.19	
315920-85-0	FIDELITY ADV STRAT INCOME	AMERIPRISE	VAR	3,165.43	40,169.31	40,169.31	12.69	39,330.03	2,253.22	839.28	1,013.21	168.19	
410223-10-1	JOHN HANCOCK BOND	AMERIPRISE	VAR	2,475.83	40,653.16	40,653.16	16.42	38,385.13	1,879.78	2,268.03	716.93	268.16	
47804A155	JOHN HANCOCK STR	AMERIPRISE	VAR	2,665.63	29,668.41	29,668.41	11.13	28,951.48	951.48	2,268.03	716.93	268.16	
47103C-76-1	JANUS FLEXIBLE BOND	AMERIPRISE	VAR	5,017.84	54,293.04	54,293.04	10.82	54,024.88	1,633.95	2,268.03	716.93	268.16	
55272P-20-8	MFS BOND A	AMERIPRISE	VAR	2,829.83	40,438.21	40,438.21	14.29	38,173.31	1,686.18	2,264.90	209.79	268.16	
68381K-10-1	OPPENHEIMER SR FLOATING RATE	AMERIPRISE	VAR	3,238.87	26,882.60	26,882.60	8.30	27,092.39	1,342.64	2,264.90	209.79	268.16	
693390-44-5	PIMCO TOTAL RETURN A	AMERIPRISE	VAR	3,601.86	40,484.86	40,484.86	11.24	39,078.66	2,445.20	1,406.20	209.79	268.16	
693391-12-0	PIMCO REAL RETURN	AMERIPRISE	VAR	3,257.46	39,969.02	39,969.02	12.27	39,455.27	1,764.19	1,406.20	209.79	268.16	
880208-10-3	TEM GLOBAL BOND	AMERIPRISE	VAR	4,087.92	54,696.36	54,696.36	13.38	54,213.92	3,944.08	482.44	209.79	268.16	
Totals	OVERFLOW AMOUNTS FROM PAGE 19	XXX	XXX	XXX	XXX	537,880.66	XXX	537,880.66	530,624.97	26,896.39	10,849.68	3,593.99	





REINSURANCE SCHEDULE  
Reinsurance Ceded and Reinsurance Assumed

1	2	3	4	5	6	7	8
Reinsurer or Reinsured	Ceded or Assumed	Location of Company	Total Amount Reinsured	Total Premiums Ceded *	Total Premiums Assumed **	Largest Risk Ceded or Assumed	Remarks
W.J. LEHRKE CO				188,824.00			
SEE ATTACHED SCHEDULE	CEDED						
W.J. LEHRKE CO FAC	CEDED			4,638.00			
OVERFLOW AMOUNTS							
Totals	XXX	XXX	\$ -	\$ 183,462.00	\$ -	XXX	XXX

\*Total to agree with Page 4, Line 1.4, Current Year.  
\*\*Total to agree with Page 4, Line 1.5, Current Year.

COMPENSATION SCHEDULE

Show all salaries, commissions, claim adjustment expenses, directors fees and expenses, and travel items paid in the current year for the top 5 officers/employees and all directors, travel or car allowances, if paid, are to be included.

1	2	3	4	5	6	7	8	9
Name of Payee	Title	Salaries	Commissions	Claim Adjustment Expenses	Directors Fees & Expenses	Travel & Travel Items	All Other	Total
Officers/Employees:								
THOMAS ANDREWS	PRESIDENT	32,802.27		3,664.98	2,990.00			\$ 36,467.25
FRANK CHIURCO	VP/DIRECTOR			2,990.00	3,030.00			\$ 2,990.00
JAMES SILVER	SEC/TREAS	3.12		3,030.00	550.00			\$ 3,033.12
JANET VIAL				550.00				\$ 550.00
Directors:								
KENNETH BROWN		5,928.29		2,300.00				\$ 8,228.29
DAVID TSCHANZ				2,160.00				\$ 2,160.00
LARRY STOFFER				2,300.00				\$ 2,300.00
LOU DISTEFANO		21,575.67		2,385.00			48,000.00	\$ 72,060.67
ROBERT WENTLING				2,020.00				\$ 2,020.00
Totals	XXXX	\$ -	\$ 60,409.35	\$ -	\$ 21,399.98	\$ -	\$ 48,000.00	\$ 129,809.33

GENERAL INTERROGATORIES

(Answer all questions and attach additional sheets if necessary.)

- Company's retention: Fire \$40,000 Wind \$40,000 Other \$40,000  
Catastrophe Reinsurance \$100,000 Aggregate excess of loss
- Retention before reinsurance applies for: \_\_\_\_\_
- What is the largest risk assumed and retained: 1ST PARTY PROPERTY PERILS AS ALLOWED IN ORC (3939.0)
- What kind of perils are being covered? \_\_\_\_\_
- Have the by-laws been amended during the current year? NO If so, were such amendments filed with the Ohio Department of Insurance? N/A STATE OF OHIO
- In what countries does the Company operate: \_\_\_\_\_
- Name of Principal Officer and amount of bond: JAMES SILVER \$100,000
- Are all of the persons who handle funds of the Company bonded? Yes X No  
State the name and amount of each bond on each, except person named in item 6 above. BLANKET COVERAGE FOR ALL OTHER DIRECTORS AND EMPLOYEES DOR \$100,000 EACH
- Does the Company have an annual audit conducted by an independent CPA? YES
- State the number of members holding policies in the Company. 1969 If so, did such report agree with the annual report of the Company made available to each policyholder? YES
- Was an annual report of the Company made with the Ohio Department of Insurance? Yes  
State as of what date the latest examination of the Company was made by the Ohio Department of Insurance. May 5, 2011 as of 12/31/2010
- How many assessments were made during the year? N/A Date of last assessment N/A
- Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment? N/A
- Rate of policy fee N/A interest thereon N/A
- State the amount of borrowed money since date of last assessment NONE
- Does any person, firm, corporation or association have any claim, contingent or otherwise, against this Company which is NOT included in the liabilities on page 2 of this statement? Yes No X  
If yes, give the amount, terms for payment and reasons why such were not recorded as a liability on page 2 of this statement.



ANNUAL STATEMENT FOR THE YEAR  
PIKE MUTUAL INSURANCE COMPANY

2012

ORGANIZATIONAL CHART

LIST ALL ENTITIES THAT ARE MEMBERS OF AN INSURANCE COMPANY HOLDING SYSTEM AS  
DEFINED IN ORC 3901.32

PIKE MUTUAL INSURANCE COMPANY 34-0463707  
PIKE MUTUAL INSURANCE AGENCY INC 02-0601379

Pike Mutual Insurance Company

Reinsurance Premium Schedule  
 Supplement Section X, Page 15  
 2012 Annual Statement of Pike Mutual Insurance

REINSURER	Property Per	1st Layer	2nd Layer	TOTALS
Employers Mutual Casualty Company	28,800.60	10,507.80	2,938.50	42,246.90
Berkey Insurance Company	28,800.60			28,800.60
Odyssey America Reinsurance Corporation	14,400.30			14,400.30
Shelter Mutual Insurance Company	72,001.50	24,518.20	6,856.50	103,376.20
<b>TOTALS</b>	<b>144,003.00</b>	<b>35,026.00</b>	<b>9,795.00</b>	<b>188,824.00</b>