



ANNUAL STATEMENT

For the Year Ended

December 31, 2012

OF THE CONDITION AND AFFAIRS OF THE

THE PUTNAM COUNTY FARMERS 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 10397

Home Office 18812 Rd. B-13 Continental, OH 45831 OH
 Street and Number City Zip Code

Mail Address 18812 Rd. B-13 Continental, OH 45831 OH
 Street and Number City Zip Code

Main Administrative Office (419) 398-2202
 Telephone Number

Organized September 6, 1891 Commenced Business
November 16, 1895

Annual Statement Contact Person Carole Zachrich Telephone Number
(419) 398-2202

Contact Person Email Address caroleputnam@live.com

OFFICERS

President Ron Lammers Vice President
James Zachrich

Secretary Carole Zachrich Treasurer
Carole Zachrich

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

Len Michel _____

Scott Niese _____

Ed Schroeder _____

James Zachrich _____

State of Ohio _____
 County of _____
 Putnam _____

Ron Lammers _____ President and _____ Secretary of the
 Carole Zachrich _____

THE PUTNAM COUNTY FARMERS 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 5th
 day of March, 2013

Shirley May
 Notary Public
 Commission Expires: 09-16-2014

Ron Lammers President
Carole Zachrich Secretary

Shirley May Signature of Person Preparing Statement

THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY

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	
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	11,012.40	0.00	11,012.40
3	Real estate (less liens, encumbrances) (Schedule A)	0.00	0.00	
4	Cash (Schedule E)	140,069.13	0.00	140,069.13
5	Short-term investments		0.00	
6	Aggregate write-ins for invested assets		0.00	
7	Subtotals, cash and invested assets	151,081.53	0.00	151,081.53
8	Investment income due and accrued		0.00	
9.1	Assessments or premiums in the course of collection (including agents balances)	10,628.37	0.00	10,628.37
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due		0.00	
9.3	Earned but unbilled premiums (post assessment)	73,058.05	0.00	73,058.05
10.1	Amounts recoverable from reinsurers	0.00	0.00	
10.2	Funds held by or deposited with reinsured companies		0.00	
11.1	Current federal income tax recoverable and interest thereon		0.00	
11.2	Net deferred tax asset		0.00	
12	Electronic data processing equipment and software	10,604.90	9,534.42	1,070.48
13	Furniture and equipment	1,378.40	1,378.40	
14	Receivables from parent, subsidiaries and affiliates	1,900.00	0.00	1,900.00
15	Aggregate write-ins for other than invested assets	0.00	0.00	
16	Total Assets	248,651.25	10,912.82	237,738.43
	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
1599	Total aggregate write-ins	0.00	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY**

2012

LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	72,698.46	25,000.00
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	0.00
3	Commissions due and payable to agents		
4	Other expenses (excluding taxes, licenses and fees)	31,385.00	175.00
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	0.00	2,606.63
10	Advance premium		
11	Ceded reinsurance premiums payable	9,020.73	9,284.74
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	113,104.19	37,066.37
18	Surplus as regards policyholders	124,634.24	237,773.55
19	Total liabilities and surplus	237,738.43	274,839.92
	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
THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY
STATEMENT OF INCOME**

2012

	Current Year	Prior Year
UNDERWRITING INCOME		
1.1	270,609.01	261,028.36
1.2	24.00	2,995.61
1.3	270,585.01	258,032.75
1.4	111,026.26	112,370.69
1.5	0.00	0.00
1.6	159,558.75	145,662.06
DEDUCTIONS		
2	105,913.25	95,036.19
3	0.00	0.00
4	139,089.24	97,704.69
5	66,415.45	0.00
6	311,417.94	192,740.88
7	-151,859.19	-47,078.82
INVESTMENT INCOME		
8	82.08	60.84
9	0.00	0.00
10	82.08	60.84
OTHER INCOME		
11	0.00	0.00
12	4,940.00	6,260.00
13	33,500.00	13,622.63
14	38,440.00	19,882.63
15	-113,337.11	-27,135.35
16	0.00	0.00
17	-113,337.11	-27,135.35
SURPLUS ACCOUNT		
18	237,773.55	263,762.00
19	-113,337.11	-27,135.35
20	197.80	1,514.32
21		
22	0.00	-367.42
23	0.00	
24	0.00	0.00
25	-113,139.31	-25,988.45
26	124,634.24	237,773.55
DETAILS OF WRITE-INS		
0501	66,415.45	0.00
0502		
0503		
0599	66,415.45	0.00
1301	0.00	13,622.63
1302	33,500.00	0.00
1303		
1304		
1399	33,500.00	13,622.63
2401		
2402		
2499	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY
CASH FLOW STATEMENT**

2012

	Current Year	Prior Year
Cash from Operations		
1	264,562.52	285,679.96
2	0.00	0.00
3	4,940.00	13,622.63
4	269,502.52	299,302.59
5	91,170.24	70,036.19
6	219,169.51	212,459.08
7		
8	310,339.75	282,495.27
9	-40,837.23	16,807.32
Cash from Investments		
10		
10.1		
10.2		
10.3		
10.4	82.08	60.84
10.5		
10.6	82.08	60.84
11		
11.1		
11.2		
11.3		
11.4		
11.5	0.00	0.00
11.6	82.08	60.84
Cash from Financing and Miscellaneous Sources		
12.1		
12.2	-1,620.48	
13	-1,620.48	0.00
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
14	-42,375.63	16,868.16
15.1	182,444.76	165,576.60
15.2	140,069.13	182,444.76

**ANNUAL STATEMENT FOR THE YEAR
THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY**

2012

EXPENSE EXHIBIT

		Current Year
	Claim Adjusting:	
1.1	Direct	30,660.00
1.2	Reinsurance assumed	0.00
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
1.4	Net claim adjusting	30,660.00
	Commission and Brokerage:	
2.1	Direct commission and brokerage	40,715.48
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)	2,294.35
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	43,009.83
3	Allowances to managers and agents	0.00
4	Advertising	1,022.09
5	Boards, bureaus and associations	3,691.00
6	Surveys and underwriting reports	0.00
7	Audit of assureds' records	0.00
	Salary and related items:	
8.1	Salaries	17,676.00
8.2	Payroll taxes	0.00
9	Employee relations and welfare	0.00
10	Insurance	6,545.35
11	Directors' fees	9,440.00
12	Travel and travel items	2,965.59
13	Rent and rent items	2,100.00
14	Equipment	0.00
15	Cost or depreciation of EDP equipment and software	730.94
16	Printing and stationery	4,400.34
17	Postage, telephone, exchange and express	2,286.95
18	Legal and auditing	12,905.00
19	Loss adjustment expenses	0.00
18	Investment expenses	0.00
19	Totals	63,763.26
	Taxes, licenses and fees:	
20.1	State and local insurance taxes	750.00
20.2	Insurance department licenses and fees	350.00
20.3	All other (excluding federal income and real estate)	0.00
20.4	Total taxes, licenses and fees	1,100.00
21	Real estate expenses	0.00
22	Real estate taxes	0.00
23	Aggregate write-ins for miscellaneous expenses	556.15
24	Total expenses incurred (a)	139,089.24
25	Less unpaid expenses - current year	0.00
26	Add unpaid expenses - prior year	0.00
27	Total expenses paid	139,089.24
	Details of Write-Ins:	
2301	Bank Fees	92.00
2302	Seminars & Conventions	464.15
2303		
2304		
2305		
2399	Total Write-Ins	556.15

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

ANNUAL STATEMENT FOR THE YEAR 2012
THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY

INSURANCE IN FORCE

	Amount (dollars)	Number
1 In force December 31 of previous year (to equal prior year's statement)	73,916,564	368
2 Written during the year	865,216	6
3 Total	74,781,780	374
4 Deduct those expired and cancelled	1,079,580	10
5 In force December 31 of current year	73,702,200	364
6 Deduct amount reinsured	0	XXX
7 Net amount in force	73,702,200	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
Fire	2,162.50	-	1,500.00	-	662.50
Lightning	5,123.65	-	2,684.42	-	2,439.23
Wind	1,193,284.84	-	1,095,057.82	-	98,227.02
Vandalism & Extended Coverage	8,784.50	-	4,200.00	-	4,584.50
.....
OVERFLOW AMOUNTS	.....	.....	.....	.....	.....
Totals	\$ 1,209,355.49	\$ -	\$ 1,103,442.24	\$ -	\$ 105,913.25

* 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
Fire	-	-	-	-	-
Lightning	-	-	-	-	-
Wind	106,229.18	-	33,530.72	-	72,698.46
Vandalism & Extended Coverage	-	-	-	-	-
.....
OVERFLOW AMOUNTS	.....	.....	.....	.....	.....
Totals	\$ 106,229.18	\$ -	\$ 33,530.72	\$ -	\$ 72,698.46

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

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

**ANNUAL STATEMENT FOR THE YEAR
THE PUTNAM COUNTY FARMERS 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	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
8	Investment income due and accrued		0.00
9.1	Assessments or premiums in the course of collection (including agents balances)		0.00
9.2	Premium receivable for advance pay		0.00
9.3	Earned but unbilled premiums (post assessment)	0.00	0.00
10.1	Amounts recoverable from reinsurers		0.00
10.2	Funds held by or deposited with reinsured companies		0.00
11.1	Current federal income tax recoverable and interest thereon		0.00
11.2	Net deferred tax asset		0.00
12	Electronic data processing equipment and software	9,534.42	9,534.42
13	Furniture and equipment	1,378.40	1,378.40
14	Receivables from parent, subsidiaries and affiliates	0.00	0.00
15	Aggregate write-ins for other than invested assets	0.00	0.00
16	Total Assets	10,912.82	10,912.82
	Details of Write-Ins for Assets:		
1501		0.00	0.00
1502		0.00	0.00
1503		0.00	0.00
1598	Summary or remaining write-ins from overflow page	0.00	0.00
1599	Total aggregate write-ins	0.00	0.00

2012 ANNUAL STATEMENT OF THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY

SCHEDULE A

Showing All Real Estate OWNED December 31 of Current Year

1	2	3	4	5	6	7	8	9	10
Description of Property	Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7) *	Gross Income Current Year (Real Estate)	Gross Expenses Current Year (Real Estate)
None									
OVERFLOW AMOUNTS									
Totals	XXX	XXX	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*Total to agree with Page 2, Line 3, Current Year.

FURNITURE, FIXTURES and AUTOMOBILES

Showing All Furniture, Fixtures and Automobiles OWNED December 31 of Current Year

1	2	3	4	5	6	7	8
Description	Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7)
Computers	Various		1,500.00	-	1,500.00		-
Laptop Computers	6/15/2009		3,944.42		3,944.42		-
HP Pavilion Laptop Computer	4/17/2012		-	1,070.48	-		1,070.48
Insurance Software/Program	6/15/2009	Grinnell Infosystem	4,090.00	-	4,090.00		-
Office Furniture	Various		1,000.00	-	1,000.00		-
Copier	7/15/2009		378.40	-	378.40		-
OVERFLOW AMOUNTS							
Totals	XXX	XXX	\$ 10,912.82	\$ 1,070.48	\$ 10,912.82	\$ -	\$ 1,070.48

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	From Whom Acquired	Date Acquired	No. of Shares	Par Value (Preferred Stocks)	Book Value	Used To Obtain Market Value	Market Value/ Fair Value of Current Year	Actual Cost	Received During Year	Dividends and Accrued Amount Due Dec. 31	Increase, by Book Value Adjustment, in During Year	Decrease, by Adjustment in Book Value During Year
62989*105	NAMICO Class B Common	NAMICO	1/1/1987	40.00	N/A	9,012.40	225.31	9,012.40	2,000.00			197.80	-
	Putnam County Farmers Mutual Insurance Agency, Inc.	N/A	1/10/2008	100.00	N/A	100.00	N/A	100.00	100.00			-	-
	Putnam County Farmers Mutual Insurance Agency, Inc. - Addtl Paid in Capital	N/A	12/2/2009	N/A	N/A	1,900.00	N/A	N/A	1,900.00			-	-
	OVERFLOW AMOUNTS FROM PAGE 19												
XXX	Totals	XXX	XXX	XXX	XXX	\$ 11,012.40	XXX	\$ 9,012.40	\$ 4,000.00	\$ -	\$ -	\$ 197.80	\$ -

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
Ginnell Mutual Reinsurance Company	Ceded	4215 Hwy 146 S PO Box 790 Grinnell, IA 50112	69,597,182	111,026.26	-	1,623,900	
OVERFLOW AMOUNTS							
Totals			\$ 69,597,182	\$ 111,026.26	\$ -	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:								
1) Ron Lammers	President	-	2,547.17	-	3,520.00	-	-	\$ 6,067.17
2) James Zachrich	Vice-President	-	-	-	1,160.00	332.50	-	\$ 1,492.50
3) Carole Zachrich	Secretary/Treasurer	17,240.00	-	-	1,520.00	-	-	\$ 18,760.00
4) Others	Office Help	436.00	-	-	-	-	-	\$ 436.00
5)								\$ -
Directors:								
Ed Schroeder	Director/Agent	-	6,588.21	-	720.00	730.00	-	\$ 8,038.21
Len Michel	Director/Agent	-	19,149.45	-	920.00	650.00	-	\$ 20,719.45
Tim Gable	Director/Agent	-	11,544.30	-	920.00	778.80	-	\$ 13,243.10
Ken Niese	Director/Agent	-	383.95	-	-	-	-	\$ 383.95
Scott Niese	Director/Agent	-	2,796.75	-	660.00	474.29	-	\$ 3,951.04
James Zachrich	Director	-	-	-	-	-	-	\$ -
Totals								
			\$ 17,676.00	\$ 43,009.83	\$ -	\$ 9,440.00	\$ -	\$ 73,091.42

GENERAL INTERROGATORIES

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

- Company's retention: Fire \$25,000 Wind \$25,000 Other \$25,000
- Retention before reinsurance applies for: Catastrophe Reinsurance \$0 Aggregate excess of loss \$230,160
- What is the largest risk assumed and retained: \$1,623,900
- What kind of perils are being covered? Fire, Wind, Lightning, Extended Coverage
- Have the by-laws been amended during the current year? No If so, were such amendments filed with the Ohio Department of Insurance? No Putnam, Allen, Henry
- Name of Principal Officer and amount of bond. Carole Zachrich - Secretary/Treasurer - \$25,000
- 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.
- Does the Company have an annual audit conducted by an independent CPA? No
- State the number of members holding policies in the Company. 390
- Was an annual report of the Company made available to each policyholder? Yes If so, did such report agree with the annual statement filed 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. 10/6/2010
- How many assessments were made during the year? 0 Date of last assessment 10/1/2009
- Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment? Yes
- Rate of policy fee \$20
- State the amount of borrowed money since date of last assessment None interest thereon 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 2012
THE PUTNAM COUNTY FARMERS MUTUAL INSURANCE COMPANY

ORGANIZATIONAL CHART

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

The Putnam County Farmer's Mutual Insurance Company (Parent Company)
The Putnam County Farmer's Mutual Insurance Agency, Inc. (Wholly Owned Subsidiary)



