

# ANNUAL STATEMENT

For the Year Ended

December 31 , 2014

OF THE CONDITION AND AFFAIRS OF THE

## Mennonite Mutual Aid Society

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

10279

Home Office

1000 South Main Street

Street and Number

Orrville

City

44667

Zip Code

OH

Mail Address

PO Box 300

Street and Number

Orrville

City

44667

Zip Code

OH

Main Administrative Office

(330) 682-2986

Telephone Number

Organized

April 10, 1907

Commenced Business

June 5, 1905

Annual Statement Contact Person

Ric Hochstetler

Telephone Number

330-683-3730 Ext 118

Contact Person Email Address

rhochstetler@mennonitemutual.com

### OFFICERS

President

David Luther Lehman

Vice President

Secretary

George Bixler, Jr

Treasurer

David Luther Lehman

### DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

Robert Eugene Aschilman

Morris Stutzman

George Bixler, Jr

Craig Thomas Mercer

Paul Bontrager

Donald Dravenstott

David Luther Lehman

Tyson L Stuckey

State of Ohio

County of

Wayne

David Luther Lehman

President and

George Bixler, Jr

Secretary of the

Mennonite Mutual Aid Society

, being duly sworn each for himself/herself deposes and says, that they are the 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.

RECEIVED

MAR 03 2015

OFFICE OF RISK  
ASSESSMENT

Subscribed and sworn to before me, this 24

day of February, 2015

Melanie J. Alger

Notary Public

MELANIE J. ALGER

Notary Public, State of Ohio

My Commission Expires April, 9, 2016

President

Secretary

Signature of Person Preparing Statement

Mennonite Mutual Aid Society**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	0.00
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	29,641.87	16,966.77	12,675.10	13,623.34
3	Real estate (less liens, encumbrances) (Schedule A)	204,885.94	154,185.55	50,700.39	54,493.37
4	Cash (Schedule E)	160,714.12	0.00	160,714.12	168,161.28
5	Short-term investments		0.00	0.00	0.00
6	Aggregate write-ins for invested assets		0.00	0.00	
7	Subtotals, cash and invested assets	395,241.93	171,152.32	224,089.61	236,277.99
8	Investment income due and accrued		0.00	0.00	0.00
9.1	Assessments or premiums in the course of collection (including agents balances)	11,487.00	0.00	11,487.00	17,853.00
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due		0.00	0.00	0.00
9.3	Earned but unbilled premiums (post assessment)		0.00	0.00	0.00
10.1	Amounts recoverable from reinsurers		0.00	0.00	0.00
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	0.00
11.1	Current federal income tax recoverable and interest thereon		0.00	0.00	0.00
11.2	Net deferred tax asset		0.00	0.00	0.00
12	Electronic data processing equipment and software		0.00	0.00	0.00
13	Furniture and equipment		0.00	0.00	0.00
14	Receivables from parent, subsidiaries and affiliates	100,274.98	0.00	100,274.98	116,777.62
15	Aggregate write-ins for other than invested assets	0.00	0.00	0.00	0.00
16	Total Assets	507,003.91	171,152.32	335,851.59	370,908.61
	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**  
**Mennonite Mutual Aid Society**

**2014**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	0.00	0.00
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)	3,369.00	5,757.96
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	34,384.00	
10	Advance premium		
11	Ceded reinsurance premiums payable	36,842.46	
12	Funds held by company under reinsurance treaties		
13	Amounts withheld or retained by company for account of others	1,526.10	2,161.01
14	Provision for unauthorized reinsurance		
15	Payable to parent, subsidiaries and affiliates		126,081.86
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	76,121.56	134,000.83
18	Surplus as regards policyholders	259,730.03	236,907.78
19	Total liabilities and surplus	335,851.59	370,908.61
	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

2014

Mennonite Mutual Aid Society

## STATEMENT OF INCOME

		Current Year	Prior Year
	<b>UNDERWRITING INCOME</b>		
1.1	Gross Assessments/Premiums earned	371,447.00	501,333.05
1.2	Less: Return Assessments/Premiums earned		2,089.06
1.3	Direct Assessments/Premiums earned	371,447.00	499,243.99
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	337,407.00	501,333.05
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	0.00
1.6	Net Assessments/Premiums earned	34,040.00	-2,089.06
	<b>DEDUCTIONS</b>		
2	Losses incurred (Underwriting Exhibit - Part 2)	1,226.37	116,700.92
3	Loss expenses incurred (Expense Exhibit)	0.00	0.00
4	Other underwriting expenses incurred (Expense Exhibit)	30,036.49	130,324.00
5	Aggregate write-ins for underwriting deductions	0.00	0.00
6	Total underwriting deductions	31,262.86	247,024.92
7	Net underwriting gain (loss)	2,777.14	-249,113.98
	<b>INVESTMENT INCOME</b>		
8	Net investment income earned	5.36	64.25
9	Net realized capital gains (losses) less capital gains tax		
10	Net investment gain (loss)	5.36	64.25
	<b>OTHER INCOME</b>		
11	Net gain (loss) from agents' or premium balances charged off		
12	Finance and service charges not included in premiums		
13	Aggregate write-ins for miscellaneous income	17,166.89	44,570.23
14	Total other income	17,166.89	44,570.23
15	Net income, after capital gains tax and before federal income taxes	19,949.39	-204,479.50
16	Federal income taxes incurred		
17	Net income	19,949.39	-204,479.50
	<b>SURPLUS ACCOUNT</b>		
18	Surplus as regards policyholders, December 31 prior year	236,907.78	450,489.44
19	Net income	19,949.39	-204,479.50
20	Change in net unrealized capital gains or (losses) less capital gains tax		
21	Change in net deferred income tax		
22	Change in nonadmitted assets (Exhibit of Nonadmitted Assets)	2,872.86	-9,102.16
23	Change in provision for reinsurance		
24	Aggregate write-ins for gains and losses in surplus	0.00	0.00
25	Change in surplus as regards policyholders for the year	22,822.25	-213,581.66
26	Surplus as regards policyholders, December 31 current year	259,730.03	236,907.78
	<b>DETAILS OF WRITE-INS</b>		
0501			
0502			
0503			
0599	Total Aggregate write-ins for underwriting deductions	0.00	0.00
1301	Management Fees	14,666.89	40,021.59
1302	Miscellaneous Income	2,500.00	4,548.64
1303			
1304			
1399	Total Aggregate write-ins for miscellaneous income	17,166.89	44,570.23
2401			
2402			
2499	Total Aggregate write-ins for gains and losses in surplus	0.00	0.00



## ANNUAL STATEMENT FOR THE YEAR

2014

Mennonite Mutual Aid Society

## CASH FLOW STATEMENT

		Current Year	Prior Year
<b>Cash from Operations</b>			
1	Premiums/Assessments collected net of reinsurance	62,048.00	287,492.05
2	Net investment income	5.36	64.25
3	Miscellaneous income		2,667.00
4	Total	62,053.36	290,223.30
5	Benefit and loss related payments	1,228.64	120,556.19
6	Commissions, expenses paid and aggregate write-ins for deductions	29,974.00	126,468.73
7	Federal and foreign income taxes paid (recovered)		
8	Total	31,202.64	247,024.92
9	Net cash from operations	30,850.72	43,198.38
<b>Cash from Investments</b>			
10	Proceeds from investments sold, matured or repaid:		
10.1	Bonds		
10.2	Stocks		
10.3	Real estate		
10.4	Net gains (losses) on cash, cash equivalents and short-term investments		
10.5	Miscellaneous proceeds		69,531.73
10.6	Total investment proceeds	0.00	69,531.73
11	Cost of investments acquired (long-term only):		
11.1	Bonds		
11.2	Stocks		
11.3	Real estate		
11.4	Miscellaneous applications	38,297.88	
11.5	Total investments acquired	38,297.88	0.00
11.6	Net cash from investments	-38,297.88	69,531.73
<b>Cash from Financing and Miscellaneous Sources</b>			
12.1	Borrowed funds (cash provided/applied)		
12.2	Other cash provided (applied)		
13	Net cash from financing and miscellaneous sources	0.00	0.00
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
14	Net change in cash, cash equivalents and short-term investments	-7,447.16	112,730.11
15.1	Beginning of year (cash, cash equivalents and short-term investments)	168,161.28	55,431.17
15.2	End of year (cash, cash equivalents and short-term investments)	160,714.12	168,161.28

**ANNUAL STATEMENT FOR THE YEAR**  
**Mennonite Mutual Aid Society**

**2014**

**EXPENSE EXHIBIT**

		Current Year
1.1	<b>Claim Adjusting:</b> Direct	311.31
1.2	Reinsurance assumed	
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	249.04
1.4	Net claim adjusting	62.27
2.1	<b>Commission and Brokerage:</b> Direct commission and brokerage	44,029.08
2.2	Reinsurance assumed excluding contingent	
2.3	Reinsurance ceded excluding contingent (commission and brokerage)	
2.4	Contingent - direct (commission and brokerage)	
2.5	Contingent - reinsurance assumed (commission and brokerage)	
2.6	Contingent - reinsurance ceded (commission and brokerage)	82,109.00
2.7	Policy and membership fees (commission and brokerage)	
2.8	Net commission and brokerage	(38,079.92)
3	Allowances to managers and agents	0.00
4	Advertising	479.92
5	Boards, bureaus and associations	2,110.00
6	Surveys and underwriting reports	
7	Audit of assureds' records	
8.1	<b>Salary and related items:</b> Salaries	30,782.27
8.2	Payroll taxes	452.88
9	Employee relations and welfare	
10	Insurance	1,130.00
11	Directors' fees	19,000.00
12	Travel and travel items	
13	Rent and rent items	
14	Equipment	0.00
15	Cost or depreciation of EDP equipment and software	7,614.08
16	Printing and stationery	
17	Postage, telephone, exchange and express	210.00
18	Legal and auditing	800.00
19	Loss adjustment expenses	
18	Investment expenses	
19	Totals	62,579.15
20.1	<b>Taxes, licenses and fees:</b> State and local insurance taxes	250.00
20.2	Insurance department licenses and fees	880.00
20.3	All other (excluding federal income and real estate)	317.40
20.4	Total taxes, licenses and fees	1,447.40
21	Real estate expenses	2,996.09
22	Real estate taxes	1,031.50
23	Aggregate write-ins for miscellaneous expenses	0.00
24	<b>Total expenses incurred (a)</b>	30,036.49
25	Less unpaid expenses - current year	
26	Add unpaid expenses - prior year	
27	Total expenses paid	30,036.49
<b>Details of Write-Ins:</b>		
2301		
2302		
2303		
2304		
2305		
2399	Total Write-ins	0.00

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



**ANNUAL STATEMENT FOR THE YEAR**  
**Mennonite Mutual Aid Society**

**2014**

**INSURANCE IN FORCE**

		Amount (dollars)	Number
1	In force December 31 of previous year (to equal prior year's statement)	119,337,506	418
2	Written during the year	0	0
3	Total	119,337,506	418
4	Deduct those expired and cancelled	33,550,549	102
5	In force December 31 of current year	85,786,957	316
6	Deduct amount reinsured	68,629,566	XXX
7	Net amount in force	17,157,391	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	6,132.38		4,906.01		1,226.37
					-
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 6,132.38	\$ -	\$ 4,906.01	\$ -	\$ 1,226.37

\* 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
					-
					-
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ -	\$ -	\$ -	\$ -	\$ -

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

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



Mennonite Mutual Aid Society

## 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	16,966.77	16,018.53	-948.24
3	Real estate (less liens, encumbrances)	154,185.55	158,006.65	3,821.10
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	171,152.32	174,025.18	2,872.86
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
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			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	171,152.32	174,025.18	2,872.86
	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

# 2014 ANNUAL STATEMENT OF Mennonite Mutual Aid Society

## 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)
208 S Main St, Bluffton, Ohio	10/01/2005	Paul M King & Lois I King Charitable Trust	271,194.09		66,308.15		204,885.94		
							-		
							-		
							-		
							-		
							-		
OVERFLOW AMOUNTS							-		
Totals	XXX	XXX	\$ 271,194.09	\$ -	\$ 66,308.15	\$ -	\$ 204,885.94	\$ -	\$ -

\*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)
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
OVERFLOW AMOUNTS							-
Totals	XXX	XXX	\$ -	\$ -	\$ -	\$ -	\$ -



Showing all **BONDS** Owned on December 31 of Current Year

\* Annual Statement Value



Showing all Preferred & Common Stocks and Mutual Funds Owned December 31 of Current Year

12



Showing all Bonds and Preferred & Common Stocks **ACQUIRED** During the Current Year

None

1 CUSIP #	2 Description <small>Give complete and accurate description of each bond and stock. If bonds are serial issues give amounts maturing each year.</small>	3 * Date Acquired	4 Name of Vendor	5 No. of Shares of Stock	6 Cost to Company (Excluding Accrued Interest on Bonds)	7 Par Value of Bonds	8 Paid for Accrued Interest and Dividends
	None						
	** You can insert additional rows in yellow above if needed!						
XXX	Totals	XXX	XXX	XXX	\$ -	\$ -	\$ -

13







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
Mennonite Mutual Insurance	Ceded	Orrville, Oh		337,407.00			
OVERFLOW AMOUNTS							
Totals	XXX	XXX	\$ -	\$ 337,407.00	\$ -	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:								
David L Lehman	President/Treasurer				2,600.00			\$ 2,600.00
George Bixler, JR	Secretary				2,600.00			\$ 2,600.00
								\$ -
								\$ -
								\$ -
								\$ -
Directors:								
Robert E Aschliman	Director				2,000.00			\$ 2,000.00
Paul Bontrager	Vice-Chairman of Board				2,600.00			\$ 2,600.00
Morris Stutzman	Chairman of Board				3,200.00			\$ 3,200.00
Craig Mercer	Director				2,000.00			\$ 2,000.00
Donald Dravenstott	Director				2,000.00			\$ 2,000.00
Tyson Stuckey					2,000.00			\$ 2,000.00
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
Totals	XXXX	\$ -	\$ -	\$ -	\$ 19,000.00	\$ -	\$ -	\$ 19,000.00

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

1. Company's retention: Fire \$0 Wind \$0 Other \$0

1a. Retention before reinsurance applies for: Catastrophe Reinsurance Aggregate excess of loss

2. What is the largest risk assumed and retained:

3. What kind of perils are being covered? Wind,Fire,Lightning, Extended Coverages

4. Have the by-laws been amended during the current year? Yes If so, were such amendments filed with the Ohio Department of Insurance? Yes

5. In what counties does the Company operate: Allen, Hancock, Hardin, Putnam

6. Name of Principal Officer and amount of bond. David L Lehman 100,000

7. Are all of the persons who handle funds of the Company bonded? Yes x No Bethany Theis 100,000  
Melanie Alger 100,000

8. Does the Company have an annual audit conducted by an independent CPA? Yes

9. State the number of members holding policies in the Company. 418

10. 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

11. State as of what date the latest examination of the Company was made by the Ohio Department of Insurance. 31-Dec

12. How many assessments were made during the year? 2 Date of last assessment 09/01/2013

13. Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment?

14. Rate of policy fee Various

15. State the amount of borrowed money since date of last assessment 0 interest thereon 0

16. 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.



## 2014

Showing All Balances (according to Company's Records) Carried in Each Bank or Savings and Loan

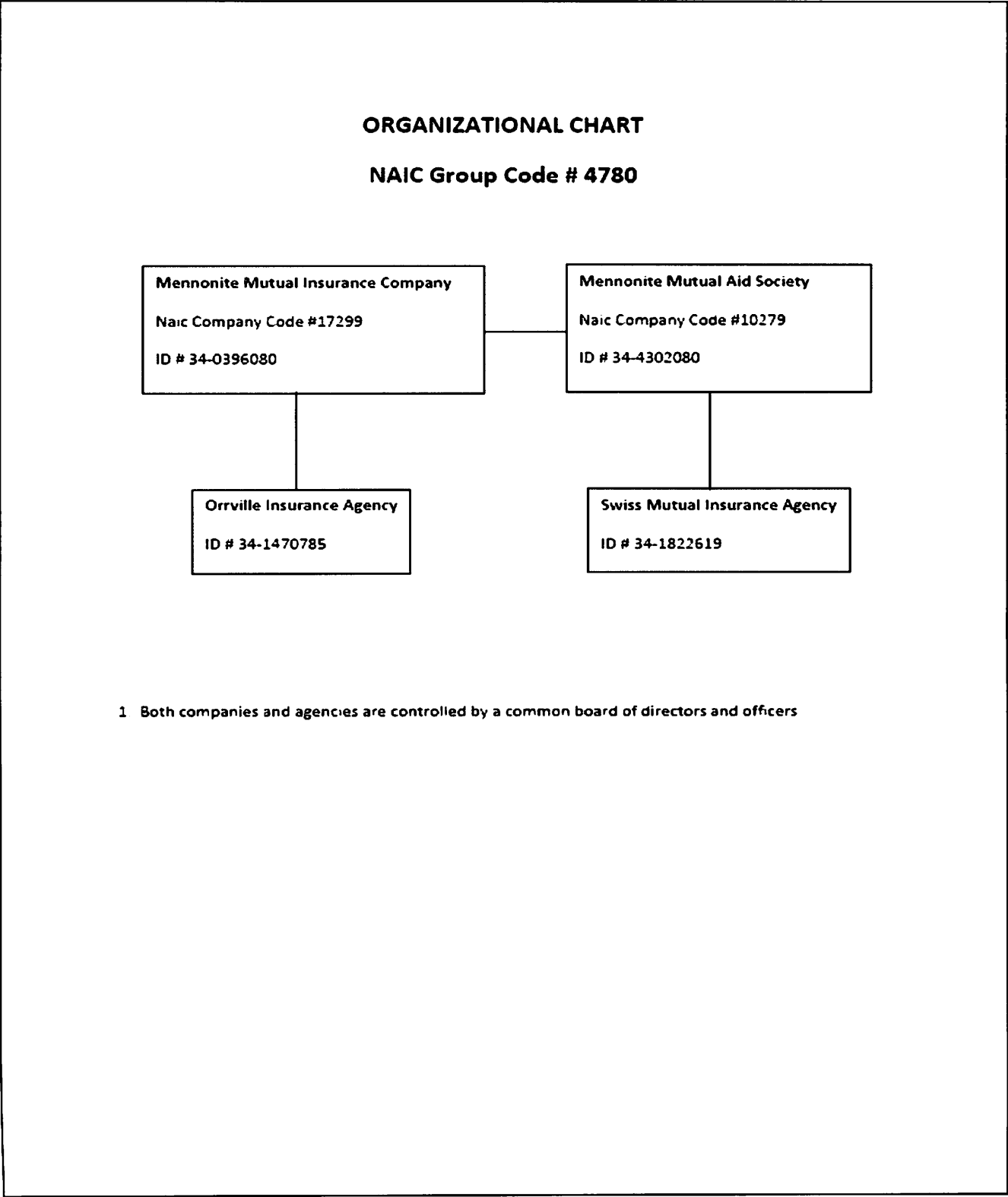
**All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.**

\*Total to agree with Page 2, Line 4, Current Year.



ORGANIZATIONAL CHART

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



Additional Write-ins for Assets:

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1504	None			0.00	
1505				0.00	
1506					
1507					
1508					
1509					
1510					
1511				0.00	
1597	Summary of remaining write-ins for Line 15 page 2	0.00	0.00	0.00	0.00

Additional Write-ins for Liabilities:

		Current Year	Prior Year
1604			
1605			
1606			
1607			
1608			
1609			
1610			
1606			
1697	Summary of remaining write-ins for Line 16 page 3	0.00	0.00

Additional Write-ins for Statement of Income:

		Current Year	Prior Year
	Summary of remaining write-ins for Statement of Income page 4	0.00	0.00

Additional Write-ins for Nonadmitted Assets:

		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1504				0.00
1505				0.00
1506				
1507				
1508				
1509				
1510				
1511				0.00
1597	Summary of remaining write-ins for Line 15 page 9	0.00	0.00	0.00



**SCHEDULE D - PART 1**

Showing all **BONDS** Owned on December 31 of Current Year

\* Annual Statement Value

Showing all Preferred & Common **Stocks and Mutual Funds** Owned December 31 of Current Year

19



## 2014

**All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.**

20