

ANNUAL STATEMENT

For the Year Ended

December 31, 2014

OF THE CONDITION AND AFFAIRS OF THE

LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

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	10330			
Home Office	1931 S Holland-Sylvania Rd Street and Number	Maumee City	43537 Zip Code	OH
Mail Address	1931 S Holland-Sylvania Rd Street and Number	Maumee City	43537 Zip Code	OH
Main Administrative Office	419-867-7131 Telephone Number			
Organized	8/18/1891	Commenced Business	1/16/1892	
Annual Statement Contact Person	Pamela M Della Flora	Telephone Number	419-867-7131	
Contact Person Email Address	pdf1@bex.net			

OFFICERS

President	Stanley Bury	Vice President	Daniel J Langenderfer
Secretary	Pamela M Della Flora	Treasurer	Pamela M Della Flora

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

Stanley Bury	Mark Fauble		
Daniel J Langenderfer	Thomas Della Flora		
Kevin Welch	David Brick		
David Raab			

State of Ohio

County of

President and

Secretary of the

LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

, 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.

Subscribed and sworn to before me, this _____

day of _____ 20____

Notary Public

President

Secretary

Signature of Person Preparing Statement

**ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION**

2014

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)	229,268.04	12,650.17	216,617.87	207,676.99
3	Real estate (less liens, encumbrances) (Schedule A)	0.00	0.00	0.00	
4	Cash (Schedule E)	87,650.57	0.00	87,650.57	119,465.90
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	316,918.61	12,650.17	304,268.44	327,142.89
8	Investment income due and accrued		0.00	0.00	
9.1	Assessments or premiums in the course of collection (including agents balances)	7,162.00	0.00	7,162.00	4,433.00
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due		0.00	0.00	
9.3	Earned but unbilled premiums (post assessment)	19,109.00	0.00	19,109.00	18,455.66
10.1	Amounts recoverable from reinsurers	4,216.98	0.00	4,216.98	
10.2	Funds held by or deposited with reinsured companies	55,943.79	0.00	55,943.79	51,659.26
11.1	Current federal income tax recoverable and interest thereon		0.00	0.00	
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	8,198.04	0.00	8,198.04	5,410.83
16	Total Assets	411,548.42	12,650.17	398,898.25	407,101.64
	Details of Write-Ins for Assets:				
1501	Subsidiary - Lucas County Insurance Agcy LLC	3,998.04		3,998.04	1,110.83
1502	Administrative fee receivable	4,200.00		4,200.00	4,300.00
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	8,198.04	0.00	8,198.04	5,410.83

**ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION**

2014

LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	46,421.26	46,421.26
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	
3	Commissions due and payable to agents		
4	Other expenses (excluding taxes, licenses and fees)		
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	1,380.96	882.25
10	Advance premium		
11	Ceded reinsurance premiums payable	11,829.00	
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	808.00	
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	60,439.22	47,303.51
18	Surplus as regards policyholders	338,459.03	359,798.13
19	Total liabilities and surplus	398,898.25	407,101.64
	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
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION
STATEMENT OF INCOME

2014

		Current Year	Prior Year
UNDERWRITING INCOME			
1.1	Gross Assessments/Premiums earned	115,116.63	134,353.53
1.2	Less: Return Assessments/Premiums earned	0.00	1,291.00
1.3	Direct Assessments/Premiums earned	115,116.63	133,062.53
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	92,587.47	93,491.62
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	0.00
1.6	Net Assessments/Premiums earned	22,529.16	39,570.91
DEDUCTIONS			
2	Losses incurred (Underwriting Exhibit - Part 2)	9,161.03	1,193.75
3	Loss expenses incurred (Expense Exhibit)	0.00	
4	Other underwriting expenses incurred (Expense Exhibit)	75,855.91	94,734.84
5	Aggregate write-ins for underwriting deductions	6,247.00	6,484.00
6	Total underwriting deductions	91,263.94	102,412.59
7	Net underwriting gain (loss)	-68,734.78	-62,841.68
INVESTMENT INCOME			
8	Net investment income earned	7,864.08	7,834.03
9	Net realized capital gains (losses) less capital gains tax		
10	Net investment gain (loss)	7,864.08	7,834.03
OTHER INCOME			
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	35,299.59	40,188.36
14	Total other income	35,299.59	40,188.36
15	Net income, after capital gains tax and before federal income taxes	-25,571.11	-14,819.29
16	Federal income taxes incurred		
17	Net income	-25,571.11	-14,819.29
SURPLUS ACCOUNT			
18	Surplus as regards policyholders, December 31 prior year	359,798.13	386,943.51
19	Net income	-25,571.11	-14,819.29
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)	1,344.80	-9,743.20
23	Change in provision for reinsurance		
24	Aggregate write-ins for gains and losses in surplus	2,887.21	-2,582.89
25	Change in surplus as regards policyholders for the year	-21,339.10	-27,145.38
26	Surplus as regards policyholders, December 31 current year	338,459.03	359,798.13
DETAILS OF WRITE-INS			
0501	Extended coverage	6,247.00	6,484.00
0502			
0503			
0599	Total Aggregate write-ins for underwriting deductions	6,247.00	6,484.00
1301	Deductibles from claims	1,750.00	2,000.00
1302	Commissions earned	23,298.59	21,757.42
1303	Administrative fees	10,250.00	10,500.00
1304	Miscellaneous income and memberships	1.00	5,930.94
1399	Total Aggregate write-ins for miscellaneous income	35,299.59	40,188.36
2401			
2402	Adjustment for subsidiary	2,887.21	-2,582.89
2499	Total Aggregate write-ins for gains and losses in surplus	2,887.21	-2,582.89

**ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION**

2014

CASH FLOW STATEMENT

		Current Year	Prior Year
Cash from Operations			
1	Premiums/Assessments collected net of reinsurance	58,182.50	45,553.95
2	Net investment income	7,864.08	7,834.03
3	Miscellaneous income	2,464.09	5,930.94
4	Total	68,510.67	59,318.92
5	Benefit and loss related payments	11,028.01	3,903.90
6	Commissions, expenses paid and aggregate write-ins for deductions	82,102.91	101,421.84
7	Federal and foreign income taxes paid (recovered)		
8	Total	93,130.92	105,325.74
9	Net cash from operations	-24,620.25	-46,006.82
Cash from Investments			
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		
10.6	Total investment proceeds	0.00	0.00
11	Cost of investments acquired (long-term only):		
11.1	Bonds		
11.2	Stocks	7,596.08	7,113.46
11.3	Real estate		
11.4	Miscellaneous applications		
11.5	Total investments acquired	7,596.08	7,113.46
11.6	Net cash from investments	-7,596.08	-7,113.46
Cash from Financing and Miscellaneous Sources			
12.1	Borrowed funds (cash provided/applied)		
12.2	Other cash provided (applied)	401.00	-1,175.61
13	Net cash from financing and miscellaneous sources	401.00	-1,175.61
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT- TERM INVESTMENTS			
14	Net change in cash, cash equivalents and short-term investments	-31,815.33	-54,295.89
15.1	Beginning of year (cash, cash equivalents and short-term investments)	119,465.90	173,761.79
15.2	End of year (cash, cash equivalents and short-term investments)	87,650.57	119,465.90

ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

2014

EXPENSE EXHIBIT

		Current Year
1.1	Claim Adjusting: Direct	0.00
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	Commission and Brokerage: Direct commission and brokerage	17,420.70
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	17,420.70
3	Allowances to managers and agents	0.00
4	Advertising	0.00
5	Boards, bureaus and associations	1,458.00
6	Surveys and underwriting reports	0.00
7	Audit of assureds' records	729.92
8.1	Salary and related items: Salaries	21,690.52
8.2	Payroll taxes	4,708.93
9	Employee relations and welfare	0.00
10	Insurance	4,867.20
11	Directors' fees	10,900.00
12	Travel and travel items	1,536.11
13	Rent and rent items	1,920.00
14	Equipment	0.00
15	Cost or depreciation of EDP equipment and software	0.00
16	Printing and stationery	440.95
17	Postage, telephone, exchange and express	928.29
18	Legal and auditing	1,012.50
19	Loss adjustment expenses	0.00
18	Investment expenses	0.00
19	Totals	50,192.42
20.1	Taxes, licenses and fees: State and local insurance taxes	250.00
20.2	Insurance department licenses and fees	907.79
20.3	All other (excluding federal income and real estate)	0.00
20.4	Total taxes, licenses and fees	1,157.79
21	Real estate expenses	0.00
22	Real estate taxes	0.00
23	Aggregate write-ins for miscellaneous expenses	7,085.00
24	Total expenses incurred (a)	75,855.91
25	Less unpaid expenses - current year	0.00
26	Add unpaid expenses - prior year	0.00
27	Total expenses paid	75,855.91
	Details of Write-Ins:	
2301	Accounting	7,070.00
2302	Bank service fees	15.00
2303		
2304		
2305		
2399	Total Write-ins	7,085.00

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

ANNUAL STATEMENT FOR THE YEAR 2014
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

INSURANCE IN FORCE

		Amount (dollars)	Number
1	In force December 31 of previous year (to equal prior year's statement)	44,524,050	226
2	Written during the year	1,382,000	6
3	Total	45,906,050	232
4	Deduct those expired and cancelled	1,921,400	12
5	In force December 31 of current year	43,984,650	220
6	Deduct amount reinsured	0	XXX
7	Net amount in force	43,984,650	XXX

**ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION**

2014

**UNDERWRITING EXHIBIT - PART 2
LOSSES INCURRED**

1 Lines of Business	2 Direct Losses Incurred	3 Losses Incurred on Reinsurance Assumed	4 Deduct: Reinsurance Recovered on Incurred Losses	5 Deduct: Salvage and Subrogation Converted To Cash	6 * Net Losses Incurred Columns 2 and 3 minus Columns 4 and 5
Wind Fire and Lightning	76,884.94		67,723.91		9,161.03
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 76,884.94	\$ -	\$ 67,723.91	\$ -	\$ 9,161.03

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

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

1 Lines of Business	2 Direct Unpaid Losses	3 Unpaid Losses on Reinsurance Assumed	4 Deduct: Reinsurance Recoverable on Unpaid Losses	5 ** Unpaid Loss Adjustment Expenses	6 *** Net Unpaid Losses Columns 2 and 3 minus Column 4
Fire	46,421.26				46,421.26
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 46,421.26	\$ -	\$ -	\$ -	\$ 46,421.26

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

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

**ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION**

2014

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	12,650.17	13,994.97	1,344.80
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	12,650.17	13,994.97	1,344.80
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	12,650.17	13,994.97	1,344.80
	Details of Write-Ins for Assets:			
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

2014 ANNUAL STATEMENT OF LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

SCHEDULE A

*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

SCHEDULE D - PART 1

SCHEDULE D - PART 1

* Annual Statement Value

SCHEDULE D - PART 2

SCHEDULE D - PART 2

SCHEDULE D - PART 3

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

XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX

12
*The items with reference to each issue of bonds or stocks acquired at public offerings may be totaled in one line and the word "various" inserted in Columns 2 and 3.

SCHEDULE D - PART 4

Showing all Bonds and Preferred & Common Stocks **SOLD**, **REDEEMED** OR Otherwise **DISPOSED OF** During the Current Year

REINSURANCE SCHEDULE

*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:								
Stanley Bury	President	450.00	5,345.25	225.00	1,500.00	528.08	40.00	\$ 8,088.33
Daniel Langenderfer	Vice President				1,000.00	120.96		\$ 1,120.96
Pamela Delta Flora	Secretary Treasurer	20,290.52			1,500.00	106.40	-	\$ 21,896.92
4)								\$ -
5)								\$ -
Directors:								
Mark Fauble		100.00	2,233.95		1,200.00	252.00		\$ 3,785.95
David Raab		400.00	4,190.55	375.00	1,600.00	257.83	263.00	\$ 7,108.18
Kevin Welch		175.00	2,685.00		1,500.00	85.12		\$ 4,445.12
David Brick		275.00	2,965.95		1,400.00	185.92		\$ 4,826.87
Thomas Delta Flora					1,200.00			\$ 1,200.00
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
Totals	XXXX	\$ 21,690.52	\$ 17,420.70	\$ 600.00	\$ 10,900.00	\$ 1,536.11	\$ 323.00	\$ 52,470.33

GENERAL INTERROGATORIES

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

1. Company's retention:	Fire \$500	Wind \$1,400	Other \$250
1a. Retention before reinsurance applies for:	Catastrophe Reinsurance		
2. What is the largest risk assumed and retained:	\$1,625,000		
3. What kind of perils are being covered?	Fire, wind and lightning		
4. Have the by-laws been amended during the current year? No If so, were such amendments filed with the Ohio Department of Insurance?			
5. In what counties does the Company operate: Lucas, Wood, Henry, Defiance, Ottawa, Fulton			
6. Name of Principal Officer and amount of bond. Stanley Bury \$50,000			
7. Are all of the persons who handle funds of the Company bonded? Yes x No Pam Delta Fiori \$50,000 State the name and amount of each bond on each, except person named in Item 6 above.			
8. Does the Company have an annual audit conducted by an independent CPA? No			
9. State the number of members holding policies in the Company. 173			
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. 12/31/2012			
12. How many assessments were made during the year? \$1 Date of last assessment 11/1/2014			
13. Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment? Yes			
14. Rate of policy fee \$50			
15. State the amount of borrowed money since date of last assessment None interest thereon			
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.			

ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

2014

SCHEDULE E - CASH or CASH EQUIVALENTS

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.

All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.				
1 DEPOSITORY Give Full Name and Location	2 Interest Rate	3 Amount of Interest Received During Year	4 Amount of Interest Accrued Dec. 31 of Current Year	5 Book Balance Dec. 31 of Current Year *
OPEN DEPOSITORIES:				
Genoa Bank PO Box 98 Genoa Ohio 43430 A/C 401050120	2.000%	259.77		13,129.11
First Federal Savings and Loan of Delta Holland Branch 6910 Airport Hwy Holland Ohio 43528 A/C 8593113851	0.100%	8.23		74,521.46
OVERFLOW AMOUNTS	xxxx	0.00	0.00	0.00
Total	xxxx	\$ 268.00	\$ -	\$ 87,650.57

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

ANNUAL STATEMENT FOR THE YEAR
LUCAS COUNTY MUTUAL INSURANCE ASSOCIATION

2014

ORGANIZATIONAL CHART

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

Lucas County Mutual Insurance Agency, LLC