

ANNUAL STATEMENT

For the Year Ended December 31, 2015

OF THE CONDITION AND AFFAIRS OF THE

West and Knox 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

10254

Home Office

355 Leatherberry Road SE

Street and Number

Carrollton, 44615

City

Zip Code

OH

Mail Address

355 Leatherberry Road SE

Street and Number

Carrollton, 44615

City

Zip Code

OH

Main Administrative Office

(330) 627-0230

Telephone Number

Organized

02-07-1878

Commenced Business

02-07-1878

Annual Statement Contact Person Elizabeth J. Barber

Telephone Number

330-627-0230

Contact Person Email Address

insurance@westandknox.com

OFFICERS

President

Sherman Oyer

Vice President

Charles Kooser

Secretary

Susan Brown

Treasurer

Elizabeth J. Barber

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

Sherman Oyer

Larry Romigh

Charles Kooser

John Capron III

Donna Detchon

State of Ohio

County of

Carroll

Sherman Oyer

President and

Susan Brown

Secretary of the

West and Knox Mutual Insurance Company

, 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 26th

day of Feb., 2016

Elizabeth J. Barber
Notary Public

ELIZABETH J. BARBER
Notary Public, State of Ohio
My Commission Expires June 23, 2019

Revised 2009

Sherman Oyer
President
Susan M. Brown
Secretary
Elizabeth J. Barber
Signature of Person Preparing Statement

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OFFICE OF RISK
ASSESSMENT

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

2015

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)	49,811.11	0.00	49,811.11	48,380.56
3	Real estate (less liens, encumbrances) (Schedule A)	98,193.41	12,772.52	85,420.89	80,179.88
4	Cash (Schedule E)	762,301.36	0.00	762,301.36	656,415.53
5	Short-term investments		0.00	0.00	
6	Aggregate write-ins for invested assets	100,000.00	54,730.19	45,269.81	45,269.81
7	Subtotals, cash and invested assets	1,010,305.88	67,502.71	942,803.17	830,245.78
8	Investment income due and accrued		0.00	0.00	
9.1	Assessments or premiums in the course of collection (including agents balances)	9,190.08	0.00	9,190.08	
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)		0.00	0.00	
10.1	Amounts recoverable from reinsurers		0.00	0.00	
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	
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	7,900.64	7,900.64	0.00	
14	Receivables from parent, subsidiaries and affiliates	2,727.55	0.00	2,727.55	23,963.06
15	Aggregate write-ins for other than invested assets	0.00	0.00	0.00	0.00
16	Total Assets	1,030,124.15	75,403.35	954,720.80	854,208.84
	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

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West and Knox Mutual Insurance Company

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LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	0.00	1,832.38
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)	654.52	1,177.69
5	Taxes, licenses and fees (excluding federal income taxes)	1,906.41	1,204.74
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	87,426.29	95,832.96
10	Advance premium		
11	Ceded reinsurance premiums payable	9,240.66	10,759.59
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	3,716.94	
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	102,944.82	110,807.36
18	Surplus as regards policyholders	851,775.98	743,401.48
19	Total liabilities and surplus	954,720.80	854,208.84
	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
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STATEMENT OF INCOME

		Current Year	Prior Year
	UNDERWRITING INCOME		
1.1	Gross Assessments/Premiums earned	334,374.06	307,346.14
1.2	Less: Return Assessments/Premiums earned		
1.3	Direct Assessments/Premiums earned	334,374.06	307,346.14
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	118,700.05	127,845.11
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	
1.6	Net Assessments/Premiums earned	215,674.01	179,501.03
	DEDUCTIONS		
2	Losses incurred (Underwriting Exhibit - Part 2)	10,105.46	5,079.17
3	Loss expenses incurred (Expense Exhibit)	3,719.30	1,494.23
4	Other underwriting expenses incurred (Expense Exhibit)	146,996.14	163,979.85
5	Aggregate write-ins for underwriting deductions	0.00	0.00
6	Total underwriting deductions	160,820.90	170,553.25
7	Net underwriting gain (loss)	54,853.11	8,947.78
	INVESTMENT INCOME		
8	Net investment income earned	7,750.38	7,580.08
9	Net realized capital gains (losses) less capital gains tax		
10	Net investment gain (loss)	7,750.38	7,580.08
	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	35,913.74	12,405.55
14	Total other income	35,913.74	12,405.55
15	Net income, after capital gains tax and before federal income taxes	98,517.23	28,933.41
16	Federal income taxes incurred	0.00	
17	Net income	98,517.23	28,933.41
	SURPLUS ACCOUNT		
18	Surplus as regards policyholders, December 31 prior year	743,401.58	706,977.75
19	Net income	98,517.23	28,933.41
20	Change in net unrealized capital gains or (losses) less capital gains tax	-14,497.30	1,758.30
21	Change in net deferred income tax		
22	Change in nonadmitted assets (Exhibit of Nonadmitted Assets)	24,354.47	5,732.12
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	108,374.40	36,423.83
26	Surplus as regards policyholders, December 31 current year	851,775.98	743,401.58
	DETAILS OF WRITE-INS		
0501			
0502			
0503			
0599	Total Aggregate write-ins for underwriting deductions	0.00	0.00
1301	Late Fee, Administration Fee, Rewrite Fee	3,482.50	205.00
1302	Admin. Fee, Commisissin Liability Ins.	6,570.51	
1303	Other Income, SECE Income	5,860.73	
1304	Agency Dividends, Management Fee	20,000.00	12,200.55
1399	Total Aggregate write-ins for miscellaneous income	35,913.74	12,405.55
2401			
2402			
2499	Total Aggregate write-ins for gains and losses in surplus	0.00	0.00

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CASH FLOW STATEMENT

		Current Year	Prior Year
Cash from Operations			
1	Premiums/Assessments collected net of reinsurance	215,674.01	179,501.03
2	Net investment income	-6,746.92	47,517.29
3	Miscellaneous income	35,913.74	12,405.55
4	Total	244,840.83	239,423.87
5	Benefit and loss related payments	10,105.46	5,079.17
6	Commissions, expenses paid and aggregate write-ins for deductions	146,532.55	159,993.76
7	Federal and foreign income taxes paid (recovered)		
8	Total	156,638.01	165,072.93
9	Net cash from operations	88,202.82	74,350.94
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		
11.3	Real estate		
11.4	Miscellaneous applications	-17,682.91	34,428.21
11.5	Total investments acquired	-17,682.91	34,428.21
11.6	Net cash from investments	17,682.91	-34,428.21
Cash from Financing and Miscellaneous Sources			
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
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
14	Net change in cash, cash equivalents and short-term investments	105,885.73	39,922.73
15.1	Beginning of year (cash, cash equivalents and short-term investments)	756,415.63	716,492.90
15.2	End of year (cash, cash equivalents and short-term investments)	862,301.36	756,415.63

West and Knox Mutual Insurance Company

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	16,986.67
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	16,986.67
3	Allowances to managers and agents	0.00
4	Advertising	698.38
5	Boards, bureaus and associations	2,045.00
6	Surveys and underwriting reports	0.00
7	Audit of assureds' records	0.00
8.1	Salary and related items: Salaries	56,675.39
8.2	Payroll taxes	4,766.08
9	Employee relations and welfare	
10	Insurance	6,139.19
11	Directors' fees	19,800.00
12	Travel and travel items	1,199.60
13	Rent and rent items	
14	Equipment	4,861.50
15	Cost or depreciation of EDP equipment and software	5,497.50
16	Printing and stationery	1,382.68
17	Postage, telephone, exchange and express	7,881.90
18	Legal and auditing	12,300.00
19	Loss adjustment expenses	3,719.30
18	Investment expenses	0.00
19	Totals	126,966.52
20.1	Taxes, licenses and fees: State and local insurance taxes	
20.2	Insurance department licenses and fees	970.00
20.3	All other (excluding federal income and real estate)	250.00
20.4	Total taxes, licenses and fees	1,220.00
21	Real estate expenses	3,743.90
22	Real estate taxes	841.32
23	Aggregate write-ins for miscellaneous expenses	957.03
24	Total expenses incurred (a)	150,715.44
25	Less unpaid expenses - current year	0.00
26	Add unpaid expenses - prior year	0.00
27	Total expenses paid	150,715.44
	Details of Write-Ins:	
2301	Continuing Education	0.00
2302	Annual Meeting	52.62
2303	Miscellaneous, Contributions	904.41
2304		
2305		
2399	Total Write-ins	957.03

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

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INSURANCE IN FORCE

		Amount (dollars)	Number
1	In force December 31 of previous year (to equal prior year's statement)	70,601,024	339
2	Written during the year	1,666,100	19
3	Total	72,267,124	358
4	Deduct those expired and cancelled	11,791,562	29
5	In force December 31 of current year	60,475,562	329
6	Deduct amount reinsured	0	XXX
7	Net amount in force	60,475,562	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	8,249.81				8,249.81
Wind	1,075.39				1,075.39
Lightning					-
Vandalism	780.26				780.26
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 10,105.46	\$ -	\$ -	\$ -	\$ 10,105.46

* 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.

ANNUAL STATEMENT FOR THE YEAR
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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	15,927.85	15,927.85
3	Real estate (less liens, encumbrances)	12,772.52	21,037.29	8,264.77
4	Cash			0.00
5	Short-term investments			0.00
6	Aggregate write-ins for invested assets	54,730.19	54,730.19	0.00
7	Subtotals, cash and invested assets	67,502.71	91,695.33	24,192.62
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	7,900.64	7,562.49	-338.15
14	Receivables from parent, subsidiaries and affiliates			0.00
15	Aggregate write-ins for other than invested assets	2,750.00	3,250.00	500.00
16	Total Assets	78,153.35	102,507.82	24,354.47
	Details of Write-Ins for Assets:			
1501	Customer List- Net of Amorization	2,750.00	3,250.00	500.00
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	2,750.00	3,250.00	500.00

2015 ANNUAL STATEMENT OF West and Knox 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)
Building -355 Leatherberry Road Carrollton, OH	10/27/2006		86,834.61		20,269.53		66,565.08		
Land 355 Leatherberry Road Carrollton, OH	10/27/2006		6,460.47				6,460.47		
Building Improvements	5/31/2008		31,091.98		5,924.12		25,167.86		
OVERFLOW AMOUNTS							-		
Totals	XXX	XXX	\$ 124,387.06	\$ -	\$ 26,193.65	\$ -	\$ 98,193.41	\$ -	\$ -

*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)
Konica Minolta C224e Color Copier	10/30/2013		7,566.44		2,341.99		5,224.45
Road Signs	4/10/2007		2,368.00		2,368.00		-
3 Computers	3/24/2008	Dell	3,187.01		3,187.01		-
Computer	7/17/2009	Dell	778.52		778.52		-
Scanner	6/13/2008		336.53		336.53		-
2 Dell OptiPlex Computers	5/5/2015	Dell	2,311.89		308.24		2,003.65
9 Office Chairs	10/9/2007		1,112.91		1,112.91		-
Refrigerator	7/18/2007		200.00		\$200.00		-
Security System	1/29/2008		2,577.60		2577.6		-
Desks - Stoffer	6/3/2008	Larry Stoffer	175.00		175.00		-
3 Office Chairs	8/5/2009		540.78		540.78		-
4 Drawer File Cabinet	2/9/2010	Staples	851.99		851.99		-
Dell Server	4/9/2012		2,690.03		2,017.50		672.53
OVERFLOW AMOUNTS			10,137.78		10,137.78		-
Totals	XXX	XXX	\$ 34,834.48	\$ -	\$ 26,933.85	\$ -	\$ 7,900.63

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

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

*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.

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

[illegible]

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

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.

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

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

[illegible]

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ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

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ORGANIZATIONAL CHART

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

West and Knox Mutual Insurance Company	NAIC #10254
West & Knox Insurance Agency Inc	License #34014

2015

		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

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

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

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