

WISCONSIN MUTUAL INSURANCE COMPANY

Statement of Financial Condition

December 31, 2017

Wisconsin Mutual Insurance Company had Net Income before Federal Taxes of \$10.6 million and increased Surplus by \$7.1 million as a result of excellent underwriting results. The Company posted record levels of Surplus (\$92.5 million), Assets (\$160.6 million) and Direct Written Premiums (\$79.8 million) in 2017. The combined ratio of 91.2% was again one of the best in the industry, while Surplus growth has averaged 8.2% over the last 10 years.

The combined ratio generated an underwriting profit of \$6.6 million. Gains in Auto Liability (\$1.7 million) were offset by losses in physical damage (\$2.3 million). The Commercial lines generated \$1.5 million of income. The Homeowner lines of business generated income of \$4.5 million. The Farmowners generated \$.3 million of income and all other lines \$.9 million. The growth in Surplus along with a 4.0% rise in Net Written Premiums improved the premiums to surplus ratio from 86 to 82, the strongest level in over 50 years.

The Incurred Expense Ratio (loss expense and other operating expense) went from 31.% to 28.1%, even though the Company again paid out near record Agent Contingent Commissions and Employee Profit Sharing. This ratio continues to be one of the best in the industry. Moderate premium growth and continued expense efficiencies in 2018 will keep this and other financial ratios strong in the future.

Wisconsin Mutual reached new milestones in 2017 of \$79.8 million in Direct Written Premiums and \$160.6 million in Assets. It was the sixth consecutive year of strong growth in profits and financial ratios as the Company maintained its financial strength rating of A- (excellent) from AM Best. We look for continued growth and profits, continued expansion in MN, while maintaining competitive rates in all lines.

Wisconsin Mutual's outstanding performance is a product of the contributions of our dedicated employees and agents providing exceptional service to our policyholders through both person to person interaction and effective use of technology. We continue to expand our base of insurance offerings and are committed to keeping our products competitive in both price and function, and look to remain a financially secure Wisconsin based company, owned by its policyholders, into the foreseeable future.

Daniel A. Keyes

President

**ASSETS**

	2017	2016
Bonds(Amortized).....	\$133,799,542	\$125,649,060
Stocks(Market).....	10,905,007	8,388,735
Real Estate & Mortgages on Real Estate...	1,178,693	1,240,486
Cash and Short Term Investments	3,233,607	4,738,761
Reinsurance Recoverable.....	565,558	64,741
Accrued Interest & Dividends.....	769,893	799,782
Deferred Tax Asset	1,628,872	3,049,628
Premiums Receivable.....	8,491,665	7,898,176
Other Assets.....	34,164	18,968
Total Assets.....	\$160,607,001	\$151,848,337

RESERVES AND LIABILITIES

Reserves for Unpaid Claims.....	\$24,861,726	\$25,026,464
Reserves for Loss Adjusting Expenses.....	5,609,940	6,950,783
Other Accrued Expenses.....	567,600	336,423
Accrued Taxes, Licenses and Fees.....	836,830	488,503
Reserves for Unearned Premiums.....	28,964,283	27,342,383
Ceded Reinsurance Balances Payable.....	643,947	437,886
Advance Premiums.....	1,081,435	1,083,224
Commissions Payable & Contingent.....	3,248,227	3,156,584
Other Liabilities.....	2,313,732	1,650,467
Total Reserves and Liabilities.....	\$68,127,720	\$66,472,717

SURPLUS TO POLICYHOLDERS

Unassigned Surplus Funds.....	\$92,479,281	\$85,375,620
Total Surplus, Reserves and Liabilities...	\$160,607,001	\$151,848,337

PREMIUMS, LOSSES, OTHER INCOME

Direct Premiums Written.....	\$79,835,204	\$76,495,579
Losses Incurred.....	47,001,828	39,938,855
Underwriting Gain/(Loss).....	6,587,165	9,951,126
Net Investment Income.....	3,528,420	2,845,485
Operating Income Before Federal Taxes..	10,558,698	13,218,066
Increase to Surplus (Decrease).....	7,103,661	10,083,936
Combined Ratio.....	91.2%	86.2%

Officers

Daniel A. Keyes President
Anthony J. Skubal Treasurer
Holly M. Casavant Secretary

Board Of Directors

Holly M. Casavant
Dick B. Johnson
Daniel A. Keyes, Chmn
Donald E. MacLeish
Doreen A. Mickelson
Bruce J. Roberts
Francis P. Schaecher
Anthony J. Skubal
Arthur A. Stauffacher

Lines Of Business

PRIVATE PASSENGER AUTOMOBILE
COMMERCIAL AUTOMOBILE
HOMEOWNERS
FARMOWNERS
MOBILE HOMEOWNERS
BUSINESSOWNERS
ARTISANS

FARMOWNERS

Serviced At

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Our 115th Annual Report

For the Year Ended
December 31, 2017



www.wiins.com

A Non-Assessable Mutual Company
Organized in 1903