

MARYSVILLE MUTUAL
INSURANCE COMPANY

2010
ANNUAL REPORT

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INSURING KANSANS SINCE 1889 A.M. Best Rating B++

STATEMENT OF INCOME AND SURPLUS

December 31, 2010 and 2009

	2010	2009
Premiums Written	\$17,786,779	\$16,293,659
Premiums Earned	\$13,292,233	\$12,296,200
Losses Incurred	8,579,749	8,754,877
Direct Adjusting Exp.	<u>630,427</u>	<u>658,487</u>
Gross underwriting income	4,082,058	2,882,836
Other underwriting expenses	<u>4,032,121</u>	<u>3,644,250</u>
Net underwriting gain (loss)	<u>49,937</u>	<u>(761,414)</u>
Other income (expenses)		
Investment Income	818,966	673,539
Policy issuing fee	23,760	23,565
Direct bill service fee income	129,892	126,711
Miscellaneous	<u>(6,313)</u>	<u>(2,659)</u>
Total Other Income (expense)	<u>966,305</u>	<u>821,156</u>
Income before provision for Income Tax	<u>1,016,242</u>	<u>59,742</u>
Provision for Income Taxes	<u>324,194</u>	<u>(133,073)</u>
Net Income	<u>\$ 692,048</u>	<u>\$ 192,815</u>

POLICYHOLDERS' SURPLUS

Policyholders' surplus beginning of year	\$14,831,462	\$14,053,381
Net Income	692,047	192,817
Change in non-admitted assets & DTA's	(71,230)	87,063
Change in market value-stocks	<u>278,134</u>	<u>498,201</u>
Policyholders' surplus end of period	<u>\$ 15,730,413</u>	<u>\$14,831,462</u>

ADMITTED ASSETS, LIABILITIES AND SURPLUS

December 31, 2010 and 2009

ADMITTED ASSETS	2010	2009
Investments		
Bonds	\$17,262,329	\$14,856,333
Stocks-market value	4,940,639	3,371,615
Home office bldg, net	<u>89,121</u>	<u>97,008</u>
Total Investments	<u>\$22,292,089</u>	<u>\$18,324,956</u>
Cash and Short Term Inv.	<u>1,480,185</u>	<u>3,203,390</u>
Other Assets		
Agents Balance	134,097	136,143
Direct Bill Balance	2,383,271	2,176,250
Reinsurance Recoverable	137,321	(703,986)
Accrued Interest & Dividends	198,097	181,806
Fixed assets, net	21,417	18,428
Deferred Income Tax	548,885	622,547
Other assets	<u>4,700</u>	<u>923</u>
Total Other Assets	<u>3,427,788</u>	<u>2,432,111</u>
Total Assets	27,200,062	23,960,457
Less: Non-Admitted Assets	<u>(8,411)</u>	<u>(10,843)</u>
TOTAL ADMITTED ASSETS	<u>\$27,191,651</u>	<u>\$23,949,614</u>
LIABILITIES AND POLICYHOLDERS' SURPLUS		
Liabilities		
Unearned Premiums	\$8,899,698	\$8,234,044
Unpaid Claims	1,216,723	222,835
Unpaid Adjusting Expense	49,129	24,614
Reinsurance Premium Payable	398,621	271,386
Securities Payable	102,460	99,792
Other accrued liabilities	<u>794,607</u>	<u>265,481</u>
TOTAL LIABILITIES	11,461,238	9,118,152
Policyholders' Surplus	<u>15,730,413</u>	<u>14,831,462</u>
TOTAL LIABILITIES AND POLICYHOLDERS' SURPLUS	<u>\$27,191,651</u>	<u>\$23,949,614</u>

EXECUTIVE OFFICERS

Eugene Houtz	Chairman, CEO
Trent Moser	President, COO
Lori Scheibe	Corporate Secretary/ V.P. Administration
Susan Craig	Claims Manager
Sue FitzGerald	Underwriting Manager

BOARD OF DIRECTORS

Eugene Houtz, Chairman	Marysville
Donald McDow, Vice Chairman	Lawrence
Donald Kramer, Treasurer	Marysville
Ila Fritzler	Ness City
Terry Jelinek	Munden
Robert Malir, Jr.	Wilson
L. R. McKibben	Hutchinson
Scott Stuckey	Junction City
Leonard Wolfe	Marysville

