

***GOING FORWARD TO THE NEXT GENERATION***

**150  
YEARS  
PROVIDING  
PEACE  
OF MIND**



**FORWARD MUTUAL INSURANCE COMPANY**

**ANNUAL POLICYHOLDERS MEETING, Friday, April 25, 2025**

**2024 ANNUAL REPORT**

# To Our Policyholders



Sarah Mueller  
President & CEO

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## MISSION STATEMENT

*Our promise is to provide peace of mind to our clients through quality insurance products, risk management solutions, and exceptional personal service.*

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Date of Incorporation: November 6, 1875  
Fiscal Year End: December 31  
Annual Meeting: Fourth Friday in April

On behalf of the Directors of Forward Mutual Insurance Company, I am pleased to present the 150th Annual Report for the year ended 2024.

The history of Forward Mutual started on November 6, 1875, when Ixonia Mutual Insurance Company was founded by 32 property owners from the Town of Ixonia. Together they committed to promise to protect each other's property when they had damage from fire or lightning. Today, 150 years later, Forward Mutual is still operating by the same founding tradition of "neighbor helping neighbor."

The financial statements found on pages 4-6 comprise the statements of admitted assets, liabilities, and policyholders' surplus—statutory basis as of December 31, 2024, and 2023, and the related statements of operations and cash flows as compiled by CliftonLarsonAllen (CLA). CLA's Independent Auditors' Report and opinion is not included in our Annual Report but is available on request.

Graphs are included showing the Combined Ratio, Paid Property Losses, and Premium Written to Surplus Ratio. The premium written to surplus ratio remains strong at .26 to 1.

As a small mutual insurance company we continue to face the rising cost for reinsurance, claims, and inflation. The continued rising reinsurance cost forces us to re-evaluate our rates and deductibles. We took rate increases throughout 2024 to help the impact of rising costs. In October 2024, we increased our wind/hail deductible to \$2,500.

In 2024 Forward Mutual recorded an underwriting loss of \$458,220 and a net loss of \$80,246. Due to increased retentions of our reinsurance contract the property claims were paid solely by the company.

- A total of 62 property claims were reported in 2024. This is up eight from 2023 and down 28 from 2022.
- Property losses paid were \$722,224 or an increase of 251.15%.
- Fire losses were \$463,134 or 64.13% of the total property losses paid. This is up 416.29% from 2023. Breakdown of total fire losses: Fire \$362,788 or 50.23%; Water \$48,007 or 6.65%; Weight of Ice, Snow or Sleet \$26,463 or 3.66% and Other \$25,876 or 3.58%.
- Wind and hail losses were \$249,913 or 34.6% of the total property losses paid. This is up 123.4% from 2023. Breakdown of wind/hail total losses: Wind \$170,120 or 23.56%; and Hail \$79,792 or 11.05%.

- Equipment Breakdown losses were \$9,177 or 1.27% of the total property losses paid. This is up \$5,077 or 123.83% from 2023.
- Liability claims paid out in 2024 were \$8,005.

Claims cost more due to the inflationary cost of labor and materials. This is showing to be “the new normal” instead of just a trend.

The Financial Stability Rating® (FSR) of A', Unsurpassed, assigned to Forward Mutual Insurance Company was re-affirmed as of April 3, 2025 based on Demotech's review of our statutory financial statement.

Understanding the challenges we face today empowers us to navigate toward a brighter future. By proactively implementing necessary changes, we ensure the ongoing financial strength of our company. Reflecting on our humble beginnings guides and inspires us as we build the next 150 years of success.

Forward Mutual Insurance Company



Sarah R. Mueller, MIP  
President & CEO

## Our Supportive and Caring Staff



Jessica Hill  
Customer Care  
Assistant

Kelly Jacobson  
Customer Care  
Manager

Lois Wiedenhoft  
Chief Operating Officer



*Understanding the  
challenges we face today  
empowers us to navigate  
toward a brighter future.*



**SERVING YOU  
SO YOU CAN BUILD TOMORROW**

We believe you should have it all — comprehensive coverage and extraordinary service. You can trust us to always make you our priority. Trust in Tomorrow.® Contact us today.



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# STATEMENT OF ADMITTED ASSETS, LIABILITIES, AND POLICYHOLDERS' SURPLUS—STATUTORY BASIS

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>ADMITTED ASSETS</b>		
Cash and Invested Cash	\$ 656,535	\$ 1,121,535
Bonds	5,626,874	5,408,966
Stocks and Mutual Funds	2,227,920	1,924,327
Real Estate	<u>219,984</u>	<u>231,989</u>
Total Cash and Investments	8,731,313	8,686,817
Uncollected Premiums	220,960	196,905
Investment Income Due or Accrued	50,114	48,358
Federal Income Taxes Recoverable	55,619	9,400
Other Receivables	470	—
Electronic Data Processing Equipment	—	1,069
Furniture and Fixtures	<u>369</u>	<u>1,658</u>
Total Assets	9,058,845	8,944,207
Less: Nonadmitted Assets:		
Furniture and Fixtures	<u>(369)</u>	<u>(1,658)</u>
TOTAL ADMITTED ASSETS	<u>\$ 9,058,476</u>	<u>\$ 8,942,549</u>
<b>LIABILITIES</b>		
Net Unpaid Losses	\$ 76,000	\$ 56,149
Unpaid Loss Adjustment Expenses	2,290	2,188
Commissions and Accounts Payable	74,042	74,160
Other Liabilities	—	23,643
Unearned Premiums	897,231	819,023
Premiums Received in Advance	43,512	42,241
Reinsurance Premiums Payable	8,870	63,918
Deferred Income Taxes	<u>23,000</u>	<u>19,000</u>
TOTAL LIABILITIES	\$ 1,124,945	\$ 1,100,322
<b>POLICYHOLDERS' SURPLUS</b>	7,933,531	7,842,227
TOTAL LIABILITIES AND POLICYHOLDERS' SURPLUS	<u>\$ 9,058,476</u>	<u>\$ 8,942,549</u>



# STATEMENT OF OPERATIONS— STATUTORY BASIS

Year Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>UNDERWRITING INCOME</b>		
Premiums Written	\$ 2,056,831	\$ 1,860,834
Net Unearned Premium Change	(78,208)	(61,949)
Reinsurance Ceded	<u>(937,084)</u>	<u>(626,902)</u>
Net Premiums Earned	1,041,539	1,171,983
<b>LOSSES INCURRED</b>		
Losses Incurred	750,080	794,032
Reinsurance (Recovered) Incurred	<u>(37,608)</u>	<u>(571,302)</u>
Net Losses Incurred	712,472	222,730
<b>NET LOSS ADJUSTMENT EXPENSES</b>	84,554	103,058
<b>OTHER UNDERWRITING EXPENSES</b>	<u>702,733</u>	<u>836,801</u>
Total Losses and Expenses Incurred	<u>1,499,759</u>	<u>1,162,589</u>
<b>NET UNDERWRITING (LOSS) INCOME</b>	(458,220)	9,394
<b>INVESTMENT AND OTHER INCOME</b>		
Investment Income Earned	260,921	226,650
Investment Expenses	(81,040)	(100,792)
Net Realized Capital Gain (Loss)	107,024	(307,044)
Other Income	<u>41,906</u>	<u>32,232</u>
Net Investment and Other Income (Loss)	<u>328,811</u>	<u>(148,954)</u>
<b>LOSS BEFORE INCOME TAXES</b>	(129,409)	(139,560)
<b>FEDERAL INCOME TAX (BENEFIT) EXPENSE</b>	<u>(49,163)</u>	<u>28,100</u>
<b>NET LOSS</b>	<u>\$ (80,246)</u>	<u>\$ (167,660)</u>

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*Since 1875, Forward has been providing peace of mind to Wisconsin's home and property owners. It's a tradition we are proud of and committed to continuing going forward.*

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## STATEMENT OF POLICYHOLDERS' SURPLUS— STATUTORY BASIS

Year Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
BALANCE - BEGINNING OF YEAR	\$ 7,842,227	\$ 8,542,892
Net Income	(80,246)	(167,660)
Unrealized Gain (Loss) on Stocks and Mutual Funds, Net of Tax of \$38,000 (2024) and \$38,000 (2023)	136,261	(561,420)
Net Change in Deferred Income Taxes	34,000	27,000
Net Change in Nonadmitted Assets	<u>1,289</u>	<u>1,415</u>
<b>BALANCE - END OF YEAR</b>	<b><u>\$ 7,933,531</u></b>	<b><u>\$ 7,842,227</u></b>

## STATEMENT OF CASH FLOWS—STATUTORY BASIS

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received From Premiums	\$ 2,034,047	\$ 1,841,509
Cash Received From Reinsurance Loss Recoveries	37,608	587,045
Cash Paid for Losses	(730,229)	(827,865)
Cash Paid for Supplies and Services	(810,946)	(899,840)
Reinsurance Premiums Paid	(992,132)	(592,231)
Investment Income Received	199,191	140,588
Income Taxes Refunded	2,944	—
Other Income	<u>41,906</u>	<u>32,232</u>
Net Cash and Invested Cash (Used) Provided by Operating Activities	(217,611)	281,438
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash Paid for Purchase of Stocks, Mutual Funds, and Bonds	(758,502)	(689,820)
Proceeds From Sale/Maturity of Stocks, Mutual Funds, and Bonds	<u>509,222</u>	<u>276,082</u>
Net Cash and Invested Cash Used by Investing Activities	(249,280)	(413,738)
<b>CASH FLOWS FROM FINANCING AND MISCELLANEOUS ACTIVITIES</b>		
Other Sources	<u>1,891</u>	<u>7,444</u>
Net Cash and Invested Cash Provided by Financing and Miscellaneous Activities	<u>1,891</u>	<u>7,444</u>
<b>NET DECREASE IN CASH AND INVESTED CASH</b>	(465,000)	(124,856))
Cash and Invested Cash—Beginning of Year	<u>1,121,535</u>	<u>1,246,391</u>
<b>CASH AND INVESTED CASH - END OF YEAR</b>	<b><u>\$ 656,535</u></b>	<b><u>\$ 1,121,535</u></b>

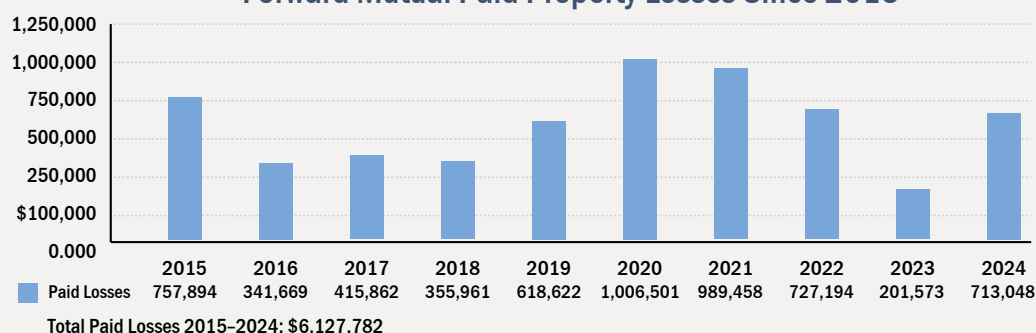
# Key Financial Figures

## Forward Mutual Combined Ratio 2015-2024



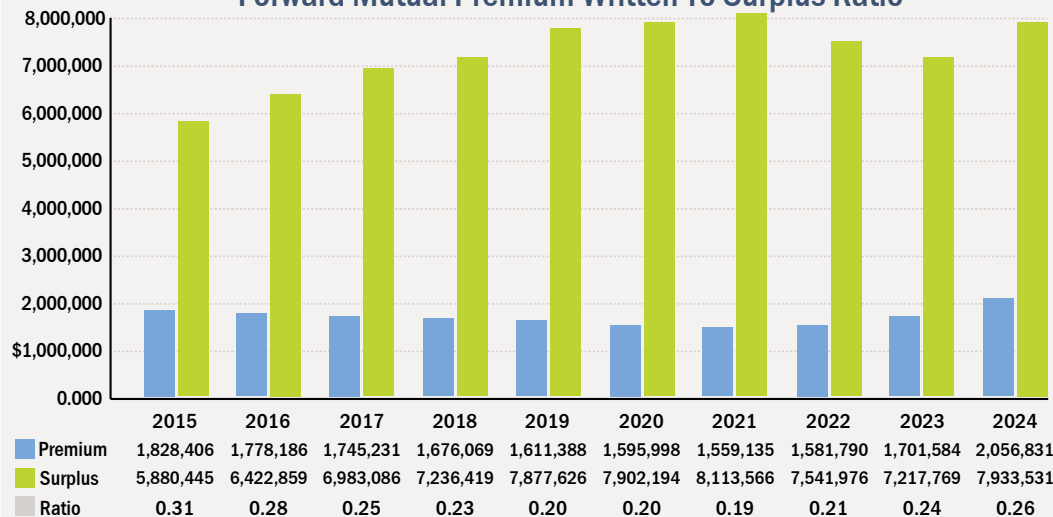
*Combined Ratio is a measure of profitability used to indicate how well an insurance company is performing in its daily operations. A ratio below 100% indicates the company is making an underwriting profit while a ratio above 100% means it is paying out more money in claims than it is receiving from premiums.*

## Forward Mutual Paid Property Losses Since 2015



*Paid Property Losses is the amount paid to policyholders to cover their claim of damage or loss.*

## Forward Mutual Premium Written To Surplus Ratio



*The Premium Written to Surplus Ratio measures financial strength and the ability to absorb above-average losses. The ratio is computed by dividing premium written by surplus. An insurance company's surplus is the amount by which assets exceed liabilities. The lower the ratio, the greater the company's financial strength. Forward Mutual is sound, secure and strong for the member policyholders we serve.*

# Our Board of Directors

## Board of Directors



*Roger L. Degner*  
Chairman



*Mark D. Mallow*  
Vice-Chairman



*David W. Blank*  
Sec.-Treas.



*Scott R. Rupnow*



*Randall L. Tietz*



*Randall L. Wegner*



*Dale H. Zastrow*

Forward Mutual's nominating committee works to maintain a dedicated and qualified leadership. This year the committee announces Randall L. Wegner is seeking re-election and Kyle A. Damrow to fill the position of retiring director, David W. Blank.

### Randall L. Wegner

Randy Wegner has been a director since 2008. He has completed his NAMIC Mutual Insurance Director (MID) certification and participates in conventions, seminars, district meetings, and reinsurance meetings.

Randy raises beef cattle, chickens, and crops on the farm that's been in his family for 98 years. He and his wife Lori have two daughters and four grandchildren. He enjoys time with family and friends, as well as staying active in his church and community.



### Kyle A. Damrow

After 15 years in an academic career, Kyle Damrow changed directions in 2018 to become a financial representative for Modern Woodmen of America. He has completed his state licensure for accident, life, and health insurance and securities. He is certified as a Fraternal Insurance Counselor.

Kyle and his wife, Megan, have two sons and live in Watertown. Their family keeps busy with school activities and sports, along with helping his parents on their family farm in Sugar Island with maple sugaring, growing grapes and making wine.



### Dedicated to Continued Learning

Congratulations to our president and CEO Sarah Mueller for completing her NAMIC Mutual Insurance Director (MID) certification and directors Randy Tietz and Scott Rupnow, who completed the same certification. The dedication our staff and board members hold to education is testament of their service to our policyholders!





# Retiring from Board

When David Blank joined the board of directors in 2006, he didn't have a particular interest in insurance but looked forward to being part of what he describes as "a dedicated group of people under good leadership." Since then his appreciation of the industry has grown immeasurably and he has guided the mutual through mergers, expanded coverage, and advances in technology.



During his tenure, Dave has become well-versed in mutual insurance. He earned certification as a Mutual Insurance Director (MID) by the National Association of Mutual Insurance Companies (NAMIC) and also participated in conventions, seminars, district meetings and Co-Op Day at the Capital. He's also served as the board's secretary/treasurer since 2018.

"Serving on the board has been a good fit for me," says Dave. "The directors have made good decisions about mergers and leadership. They've been aggressive when it comes to technology. If you don't keep up with technology, you can't keep up with how your customers are using technology."

Dave has lived his whole life on his family's five-generation farm in Ixonia. After high school, he dairy farmed with his father and in 2019 he switched to beef and cash crops. Today, he and his son rotationally grass-feed 65 head of cattle.

Dave and his wife, Kay, are blessed with three children, Brendon, Melanie, and Ethan, and eight granddaughters.

"There's something really special about granddaughters and I love spending time with them," says Dave. "I also have the farm, which keeps me active."

Dave and Kay keep busy with their church and Sunday School program. They also enjoy relaxing at their trailer in Wisconsin Dells.

To Dave, we say a big thank you! Forward Mutual has benefitted greatly from your years of service on our board of directors.

## Join Us Online!

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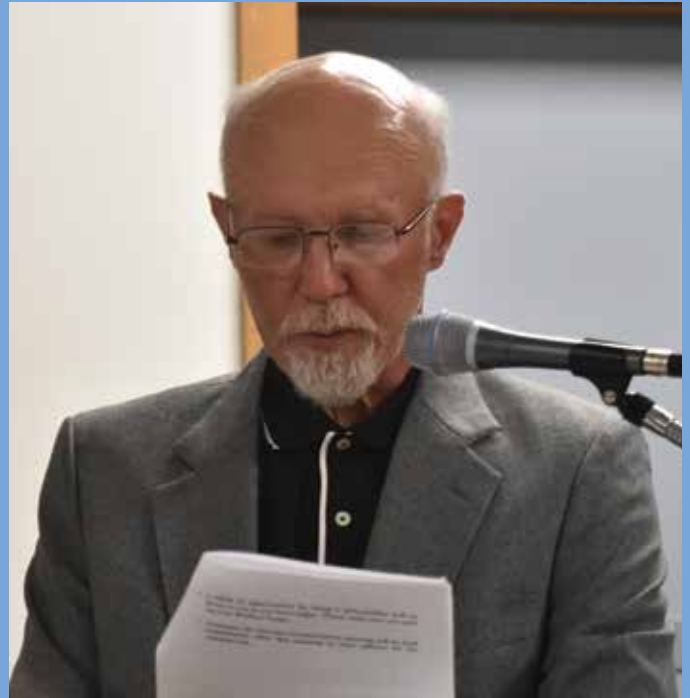
[linkedin.com/company/forward-mutual-insurance-company](https://linkedin.com/company/forward-mutual-insurance-company)

## OUR VISION

*To be recognized by our agents, policyholders, and the community as forward thinking, forward moving. Our company was built on a foundation of mutual trust and respect. We are committed to delivering on our promises and being there when it matters most. Client satisfaction will determine our success.*

# Neighbor Helping Neighbor

Forward Mutual has long held to this tradition. For 150 years we have proudly supported the people and businesses of our community.



## SUPPORTING YOUR COMMITMENT TO BUILDING TOMORROW

Local farmers are the backbone of our food supply, and we thank you for your hard work. It's our honor to support you with comprehensive insurance coverages. Trust in Tomorrow.®



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*Committed to protecting the financial strength and stability of our company.*





*Committed to customers. Committed to quality. Our promise to you.*



***PROVIDING PEACE OF MIND FOR 150 YEARS***



## **Forward Mutual Insurance Company**

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