



Insurance Board

**ALL ARE
WELCOME.
ALL ARE
PROTECTED.**

Building a Foundation
for 30 Years

2015 Annual Report



A MESSAGE FROM OUR PRESIDENT

Timothy Harris
President & CEO

2015 marked our 30th year of incorporation! For thirty years, we have been honoring our promise to participating churches and their ministries to provide financial protection against insurance losses. We have achieved this through the combination of superior insurance coverage offerings, broad risk management services, a dedicated team of service professionals, and a solid board of directors. We are honored to have reached this milestone.

2015 was the second year in a row of lower than expected claim activity, particularly in the areas of severe weather and large catastrophes. Across property and casualty lines of program business, both frequency and severity were down from the prior year. Overall claim counts were also lower than the prior year across our portfolio of coverage offerings, and actual losses for 2015 were favorable to plan.

Despite better than expected claim activity, we did experience the adverse effect of modest prior year loss development on our casualty book of business, and will continue to monitor the impact of those prior year losses going forward. Additionally, there has been a noticeable increase in both the frequency and severity of slip and fall cases involving participant properties. We are taking actions to assist our participant churches and their affiliated ministries in mitigating the incidence, and impact, of such claims.

Consistent with our aggressive actions to improve costs, coupled with favorable claim trends, we passed on an average 5.5% premium reduction to our participant churches in 2015. These rate actions and the consistent service delivery of Insurance Board team members, contributed to a solid 96.5% retention of our program participants. Through the efforts of our Marketing and Sales group, working closely with our distribution partners across the country, we increased our

new business submission counts by 34% and grew our overall program participation by 5.6%. Our efforts have demonstrated that, in spite of competitive headwinds, our mission and resolve to expand the ministry of this program remain undeterred.

For the year ending December 31, 2015, the Insurance Board posted a consolidated net income of \$3.28M on \$42.3M in revenues. Net unrestricted assets grew 13.5% to \$27.56M. Our results demonstrate the continued exercise of sound fiscal discipline, and focus on our programmatic goals. As a not-for-profit program designed for our participating churches, we will continue to use funds generated by our operations to reduce premiums, strengthen coverage, and expand participation.

In 2016, we will work even closer with our partner denominations to increase overall program participation. We will be revamping our website to give it a fresher look, and improve its functionality. And, we will continue to earn the right to be the preferred partner of choice within the constituencies we serve. Thanks to the efforts of many, thirty was certainly a wonderful year; and we are already positioning for the next thirty!

Yours faithfully,
Timothy Harris, CPCU





A MESSAGE FROM OUR BOARD

John R. Deckenback
Chair, Board of Directors

Good News!

Yes, it is a delight to be able to report that the Insurance Board (formally the United Church Insurance Association) is experiencing the good news of:

- Continued growth, especially with the addition of many Presbyterian Church (PCUSA) congregations
- Great retention of existing United Church of Christ, Christian Church (Disciples of Christ) and Presbyterian congregations
- Strong financial results

Our goal has been to be the insurance provider of choice for our three denominations by providing an excellent insurance program to protect church assets.

Our President, Tim Harris, the excellent staff, and our cadre of locally-based insurance agents, deserve the credit for our strong performance.

Our Board is comprised of dedicated and very supportive representatives of our three denominations. As we continue to move forward into 2016, the IB executive management, working closely with the board of directors, will be developing longer term, strategic plans around organizational structure, denominational growth, and business expansion.

Additionally, as is consistent with the current philosophy of board and management, we will continue the conscientious work of ensuring that our invested funds reflect the socially responsible investing positions of our participating denominations.

We are excited and pleased to represent you in this critical endeavor.

Yours,
Rev. Dr. John R. Deckenback
Conference Minister
Central Atlantic Conference, UCC
Chair of the Board





30th Anniversary

Incorporated in 1985.
Built on principles.



96.5% Participant Retention

Loyal participants express their satisfaction with our covenantal coverage.



Recognized Partner to Each Denomination We Serve

A strong partnership
between financial
ministry and mission.



6% Participant Growth

Empowering us to
continue to serve and
enhance benefits.



\$14.8 Million Paid Claims

Expertise and advocacy in our
compassionate mission to keep
congregations strong.

INSURANCE BOARD FINANCIAL RESULTS

Consolidated Statements of Financial Position

	DECEMBER 31	
	2015	2014
Cash and Short Term Cash Investments	\$ 28,503,031	\$ 26,907,322
Investment and Deposits for Future Losses	24,912,919	19,767,749
Accounts Receivable and Other Assets	700,029	1,599,185
Furniture and Equipment	818,574	989,404
Total Assets	\$ 54,934,553	\$ 49,263,660
Line of Credit	\$ 919,540	\$ 1,994,540
Accrued Expenses and Accrued Program Costs	4,132,950	2,568,832
Deferred Revenues	6,395,473	5,517,641
Reserve for Losses	15,925,339	14,901,145
Unrestricted Net Assets	27,561,251	24,281,502
Total Liabilities & Unrestricted Net Assets	\$ 54,934,553	\$ 49,263,660

Consolidated Statements of Activities

	FOR THE YEARS ENDED DECEMBER 31	
	2015	2014
Total Program Revenue	\$ 42,266,805	\$ 43,052,383
Less: Total Premiums, Claims Paid and Administrative Costs	38,987,056	39,544,553
Change in Unrestricted Net Assets	\$ 3,279,749	\$ 3,507,830

Note: Certain 2014 balances have been reclassified to conform with 2015 presentation.

MISSION

The Insurance Board is dedicated to supporting and protecting churches and their ministries with superior property and casualty risk and insurance management services.

VISION

To become the program of choice for all church ministries within the denominations we serve.

VALUES

Choosing to be bound together in mutual care and concern, we maintain integrity, excellence, exceptional customer service, open communication and inclusiveness.



OUR BOARD OF DIRECTORS

Rev. Dr. John R. Deckenback

Conference Minister
Central Atlantic Conference, UCC
Chair of the Board

Rev. June Boutwell

Conference Minister
Southeast Conference, UCC

Mr. Keith H. Bowden, CPCU

President, Wilson Insurance Agency
Massachusetts Conference, UCC

Mr. Robert J. Brautigam

Insurance Executive (Ret.)
Illinois Conference, UCC

Mr. John M. Derby, Sr.

Principal, Oak Island Consulting, LLC
Northern California-Nevada
Conference, UCC
Secretary

Mr. Duncan G. Draper

Vice-President and CFO, Pension Fund
of the Christian Church
Indiana Region, Disciples of Christ

Rev. Roddy Dunkerson

Conference Minister
Nebraska Conference, UCC

Rev. Dr. William (Bill) Edwards

Regional Pastor and President,
Ohio Region, Disciples of Christ

Rev. Judy R. Fletcher

Presbytery Executive (Ret.)
Synod of the Sun, PC(USA)

Mr. Robert Gabon, CPA

Partner, JLK Rosenberger
Southern California/Nevada
Conference, UCC

Rev. Edith Guffey

Designated Conference Minister
Vice-Chair, Cabinet of
Conference Ministers
Kansas-Oklahoma Conference, UCC

Ms. Kathryn B. Harrison

Michigan Conference, UCC

Ms. Kathy Houston

CFO/COO
Cornerstone Fund
Ohio Conference, UCC
Vice-Chair of the Board

Ms. Mary Isbell, CPCU, ARM

Southwest Region, Disciples of Christ

Mr. Barnet (Mike) McKee, JD

Conference Attorney
Missouri Mid-South Conference, UCC

Mr. Thomas Mitchell, CPCU, AMIM, AIM

Insurance Executive (Ret.)
/ Business Owner
Florida Conference, UCC

Rev. Craig N. Palmer

Former General Presbyter
(Baltimore Presbytery)
Presbytery of Des Moines, PC(USA)

Mr. Erick (Rick) Reisinger

President, Disciples Church
Extension Fund
Indiana Region, Disciples of Christ

Ms. Heidrun Toben

Connecticut Conference, UCC

Rev. John Vertigan

Conference Minister
Florida Conference, UCC

OUR STAFF

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