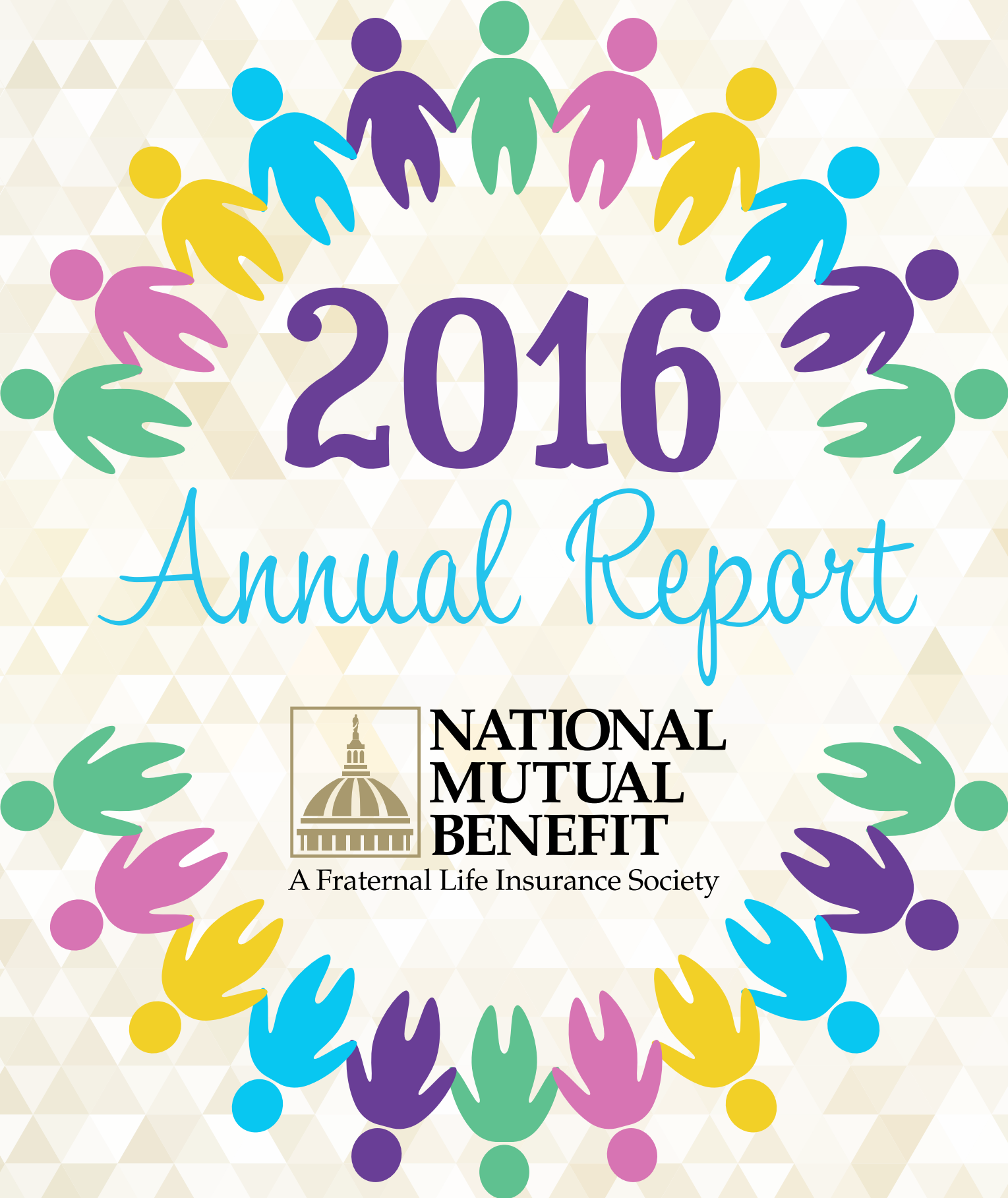




2016

Annual Report



**NATIONAL
MUTUAL
BENEFIT**

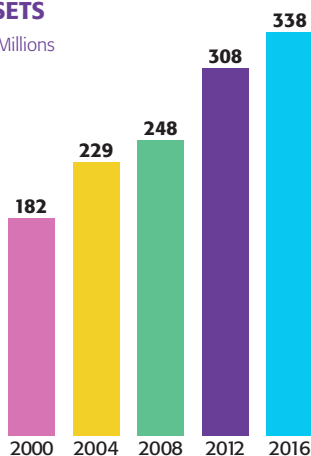
A Fraternal Life Insurance Society

2016 Annual Report

Financial Highlights

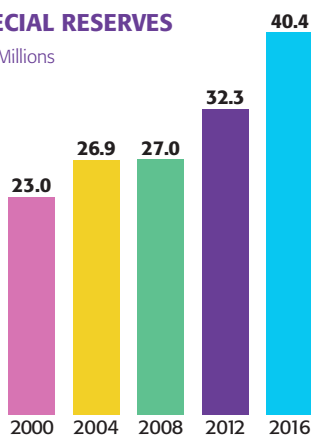
ASSETS

\$ in Millions



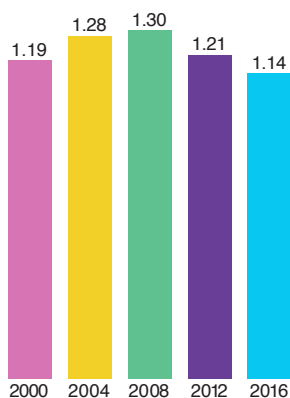
SURPLUS AND SPECIAL RESERVES

\$ in Millions



LIFE INSURANCE IN FORCE

\$ in Billions



Statement of Financial Position

ASSETS

12/31/16

12/31/15

Bonds	\$299,180,050	\$284,900,331
Mortgage loans	9,771,860	16,608,875
Real estate	719,208	774,892
Policy loans	3,816,012	3,959,563
Common stock	11,976,863	10,628,084
Cash and short term investments	5,715,749	8,394,956
Other invested assets	1,661,718	1,680,038
Investment income due and accrued	4,243,668	4,175,375
Data processing equipment	23,768	12,967
Premiums and reinsurance due and accrued	824,184	1,021,606

Total assets

\$337,933,080

\$332,156,687

LIABILITIES AND SURPLUS

Future benefit reserves	\$275,209,576	\$270,071,954
Policy claim reserves	745,069	751,392
Premiums received in advance	14,453	15,917
Deposit contracts	11,588,004	12,163,679
Dividends allocated for following year	436,261	428,773
Other liabilities	8,962,226	8,673,290
Taxes and general expenses due	569,920	896,912
Special reserves	4,576,137	4,652,434
Surplus	35,831,434	34,502,336
Total liabilities and unassigned funds	\$337,933,080	\$332,156,687

2016 Annual Report

Statement of Operations

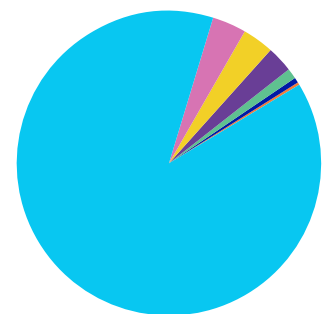
INCOME	2016	2015
Life and health premium	\$10,197,157	\$9,726,402
Annuity premium	9,103,962	7,915,624
Investment income	15,819,415	16,027,276
Miscellaneous income	<u>433,549</u>	<u>462,235</u>
Total income	\$35,554,083	\$34,131,537
MEMBER BENEFITS		
Death benefits	\$ 5,705,853	\$ 4,842,983
Life and annuity benefits	15,073,784	13,828,661
Health and accident benefits	137,987	119,189
Direct fraternal benefits to members	1,054,454	1,051,906
Future benefit reserve increases	5,137,623	5,531,703
OPERATING EXPENSES		
Commissions	\$ 715,275	\$ 633,368
Operating expenses	<u>6,554,394</u>	<u>7,095,747</u>
Total benefits and expenses	\$34,379,370	\$33,103,557
Net gain from operations	\$1,174,713	\$1,027,980
Dividends to members	<u>430,319</u>	<u>423,534</u>
Net gain after dividends	744,394	604,446
Capital gains (losses)	<u>359,404</u>	<u>1,347,732</u>
Net income (loss)	\$1,103,798	\$1,952,178

Investment Report

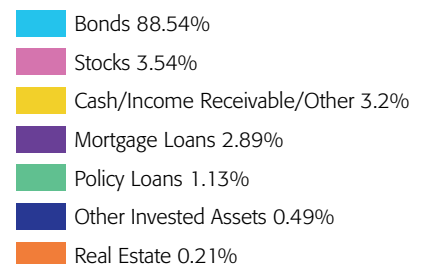
National Mutual Benefit's investment portfolio consists of a diversified mix of bonds including government, high grade corporate, and taxable municipal bonds, in addition to well-secured real estate mortgages and a small portfolio of equity products. Mortgages consist of first liens on small commercial properties, and in order to provide a strong, secure investment portfolio, only mortgages with a maximum 75 percent loan-to-value ratio have been made by the Society.

As of December 31, 2016, the bond and mortgage portfolio totaled \$299,180,050 and \$9,771,860 respectively. Nearly all (99.1%) of our bond portfolio (\$296.6 million) is within the top two highest rating classes, according to the latest NAIC valuation. We do not purchase non-investment grade bonds. The Society owned \$11,976,863 in stocks as of year-end 2016.

OUR INVESTMENT PORTFOLIO



Total Assets: \$337,933,080



FUNDRAISING & VOLUNTEER IMPACT

TOTAL
VOLUNTEER HOURS

184,073



VALUE OF 1 HOUR OF
VOLUNTEER SERVICE

\$24.14 (AS DETERMINED BY
INDEPENDENT SECTOR)

value of volunteer hours
\$4,443,522



raised by
members **\$631,664**

\$87,584 MATCHED
BY NMB



total paid to recipients
\$719,248

HELPING COMMUNITIES



food pantry donations

495 LBS.

1024 ITEMS

\$5,238

SERVING YOUTH

4,040 hours

**COMMUNITY
BENEFIT GRANTS**

\$38,953

serving seniors

706 HOURS

clothing donations

333 ITEMS

50 BOXES

\$400



bags of trash collected

152

MILES OF HIGHWAY

CLEANED 17



NMB & MEMBERSHIP



total members
34,797

**MEMBERS
UNDER AGE 16**

3,391

AVERAGE AGE
OF MEMBERS **53**

member benefits paid out



41,465

45

SCHOLARSHIPS AWARDED



for a total of \$38,675



IN-KIND DONATIONS

\$59,416

corporate donations

\$22,229



**CULTIVATING
BRANCHES**

\$16,113

23,201 HOURS

**TOTAL COMMUNITY
OUTREACH AND IMPACT**

\$945,134



PATRIOTIC

**MONETARY
DONATIONS**

\$7,239



volunteer hours

9,197



**FLAGS
DONATED**

9,590