



ELCO MUTUAL  
LIFE & ANNUITY

2023

# ANNUAL REPORT

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ELCO MUTUAL LIFE & ANNUITY

# ANNUAL REPORT

## ELCO EXECUTIVES

**David A. Bruce**

*President, Chief Executive Officer*

**Paul J. Grawe**

*Executive Vice President, Chief Financial Officer*

**Eric B. Myers**

*General Counsel, Corp. Secretary*

**Ponni S. Nainar**

*Vice President, Deputy Chief Financial Officer, Treasurer*

**Lori L. Lemme**

*Vice President, Human Resources*

**George A. Seyter**

*Vice President, Chief Information Officer*

**Silvio A. Rodia**

*Executive Vice President, Chief Risk Officer*

**Fred B. Wilmsen**

*Vice President, Business Development*

**Bill P. Bruce**

*Vice President, Operations*

ELCO Mutual Life & Annuity

# Annual Report 2023

916 Sherwood Drive  
Lake Bluff, Illinois 60044  
ELCOmutual.com



# A Message from the President

Continuously expanding our foundation while elevating the business has been at the forefront of ELCO's priorities over the past several years, and 2023 was no different. We made several investments into our human and technology infrastructures to ensure we can continue providing the highest quality of service to both our policyholders and agents.

Last year, we saw incredible strides in revenue growth with our flagship product, the Medicaid Compliant Annuity (MCA), and our Multi-Year Guaranteed Deferred Annuities (MYGAs), leading the charge with approximately \$410M in deposits and premiums, respectively. Our Preneed line grew at a nice clip as we continued to build out our offerings, ensuring our Preneed Partners had one of the most competitive suites of products to utilize for their businesses and customers.

I want to thank all our dedicated agents who make this growth possible and for providing tailored solutions to our policyholders. Your hard work makes ELCO run, and your feedback is always appreciated. ELCO's strategy of growing its presence in its backyard of the Midwest

stayed constant, but we also expanded into New Jersey, which increased the number of potential policyholders to whom we can offer solutions.

The growth we continue to have, paired with our financial stability, was recognized by AM Best and the Kroll Bond Rating Agency (KBRA) as we received an upgrade from both rating agencies. In addition, we had our 20<sup>th</sup> consecutive year of turning a profit, which has shown our ability to navigate tumultuous environments.

Looking forward, 2024 will be an important year. We will be kicking off and executing several key initiatives that will drive us forward. Our goal is to take the next step while keeping what makes ELCO ELCO: the human element. Ensuring our policyholders and agents have access to top products and receive high-quality service has been and will continue to be ELCO's identity.

I can sleep very well at night knowing that our products are easy to understand and provide excellent protection with liquidity. I look forward to watching the ELCO family continue to grow and cannot wait to lead our team through this next phase of ELCO's journey. Let's continue to build a better future together.

*David Bruce*

President and CEO of ELCO Mutual Life & Annuity

# Financial Strength and Philanthropy

## FINANCIAL STRENGTH

Bonds & Stocks	\$816,927,738
Sch BA Other Invested Assets	\$72,292,975
Home Office Property	\$2,335,887
Policy Loans	\$88,794
Cash/Short Term Investments	\$114,720,089
Reinsurance & Other Misc. Assets	\$16,542,202
Accrued Investment Income	\$7,587,205
Deferred Tax Asset & Tax Recoverable	\$6,254,650

**Total Assets** **\$1,036,749,540**

Policyholder Reserves	\$849,938,017
Claims in Process	\$450,000
Reserve for Dividends Next 12 Months	\$1,479,060
Accrued Expenses, Taxes & Fees	\$500,000
Other Liabilities	\$85,938,069
IMR/AVR	\$15,489,377
Total Liabilities	\$953,794,523
Policyholder Surplus	\$82,955,017

**Total Liabilities & Surplus** **\$1,036,749,540**

Statement of Financial Position

## FINANCIAL STRENGTH

Premiums & Considerations	\$65,489,901
Net Investment Income	\$42,969,243
Misc. Income	\$6,920,315

**Total Income \$115,379,459**

Benefits to Policyholders	\$237,180,431
Increase in Reserves	(\$155,488,746)
Other Expenses, Taxes	\$24,440,693

**Total Benefits & Expenses \$106,132,378**

Gross Gain from Operations Before Taxes & Dividends	\$9,247,081
Dividends	(\$1,707,488)
Taxes	(\$273,110)

**Net Gain (Loss) From Operations \$7,266,483**

Summary of Operations

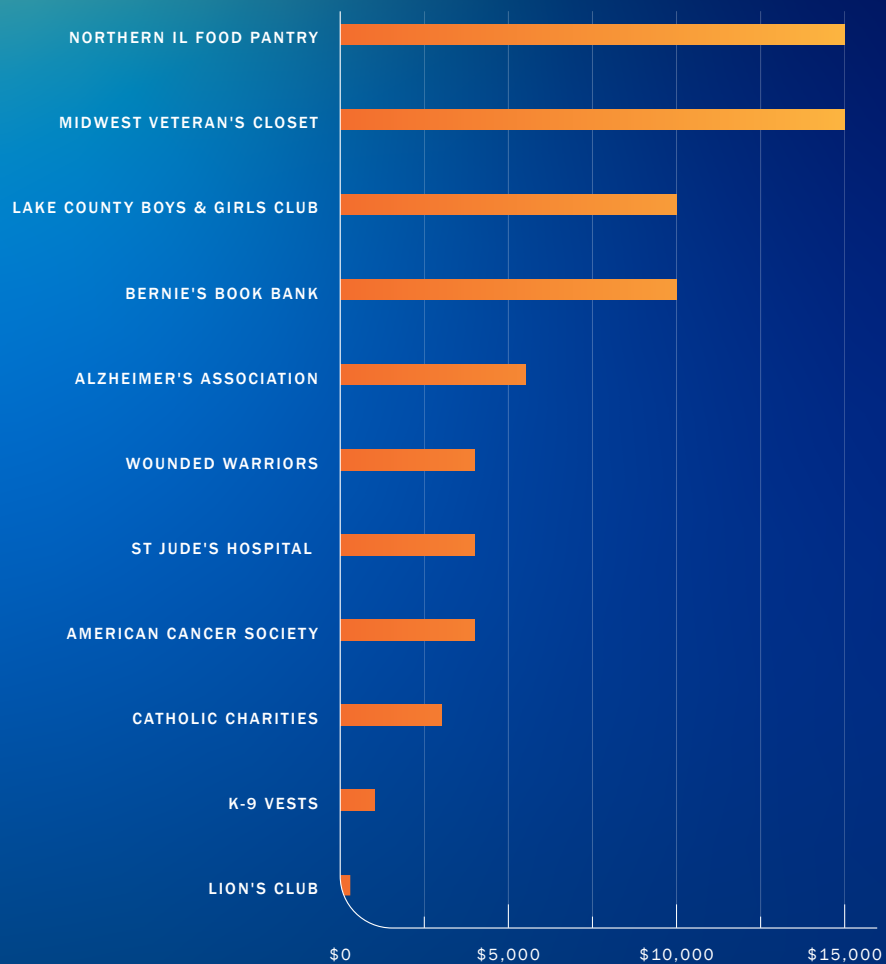
## PHILANTHROPY

At ELCO, we take pride in our commitment to our community and our dedication to supporting families everywhere. Philanthropy is at the core of our values and is deeply important to us. We believe in looking beyond ourselves to see where to make the most significant impact, which is why we've donated to over 15 charitable causes.

Whether fundraising or volunteering, every effort we make is meaningful to each of us. Our employees and policyholders can rest assured that we will always find ways to support those organizations that go above and beyond.



## 2023 DONATIONS



## BOARD OF DIRECTORS

**David A. Bruce** PRESIDENT & CEO, CHAIRMAN

*ELCO Mutual Life and Annuity*

**Bartholomew F. Reuter** EXECUTIVE VP, CHIEF LEGAL & COMPLIANCE OFFICER

*Versiti, Inc.*

**Carolyn C. Covington** VICE PRESIDENT, ACTUARY - EXPERIENCE ANALYSIS

*SCOR*

**Christopher R. Chigas** PRESIDENT & CHIEF COMPLIANCE OFFICER

*Access Financial Group, Inc.*

**Cynthia A. Tidwell** PRESIDENT AND CEO, RETIRED

*Royal Neighbors of America*

**Eric B. Myers** GENERAL COUNSEL, CORP. SECRETARY

*ELCO Mutual Life and Annuity*

**James S. Farrell** SR. MANAGER & BUSINESS DEVELOPMENT PARTNER, RETIRED

*Verizon Business Markets*

**Paul J. Grawe** EXECUTIVE VP, CHIEF FINANCIAL OFFICER

*ELCO Mutual Life and Annuity*

**Richard P. Leach** SR. VICE PRESIDENT & CORPORATE SECRETARY, RETIRED

*ELCO Mutual Life and Annuity*

ELCO will cultivate, nurture, and *enhance*  
long standing *relationships* with insurance  
professionals and policyholders by being a  
*trusted partner* providing tailored solutions to  
achieve financial goals.



**A BETTER FUTURE  
BUILT HERE**

[ELCOmutual.com](https://www.ELCOmutual.com)



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